DOCUMENT RESUME

ED 088 487 IR 000 321

AUTHOR	Othmer, David
TITLE	The Wired Island: The First Two Years of Public Access To Cable Television In Manhattan.
INSTITUTION	Fund for the City of New York, N.Y.
PUB DATE	Sep 73
NOTE	92p.
AVAILABLE FROM	Fund for the City of New York, 1133 Avenue of the Americas, New York, N.Y. 10036
EDRS PRICE	MF-$0.75 HC-$4.20
DESCRIPTORS	Audiences; *Cable Television; Censorship; *Community Involvement; Costs; Financial Support; Government Role; Labor Unions; Program Evaluation; *Programing (Broadcast); *Public Television; Use Studies; Video Equipment
IDENTIFIERS	CATV; Federal Communications Commission; Franchising; Liability; Manhattan; *New York City; Public Access

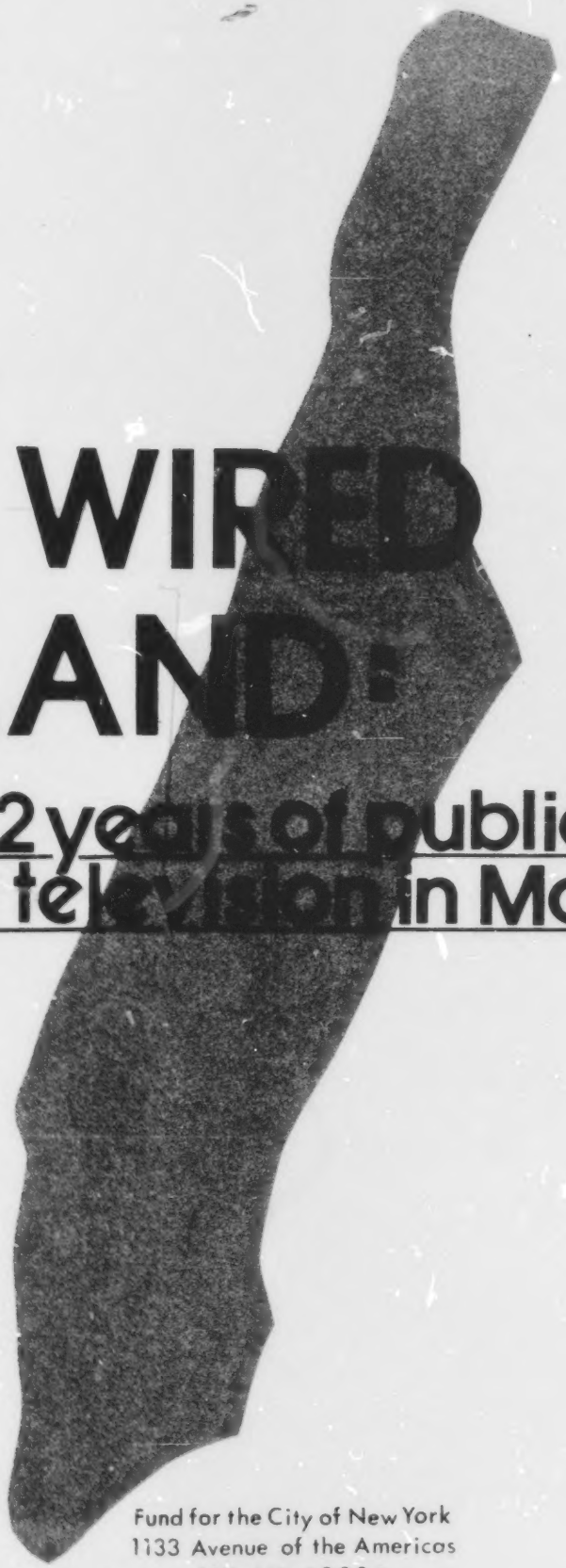
ABSTRACT

A review is presented of the first two years of free public access programing on New York City's cable television (CATV) systems. The report provides some background information on franchising, public access to CATV in New York City, and Federal Communications Commission regulations. It also deals with the public access programing developed; it includes statistics on access and users, and information concerning funding, the cable operators, and studio and equipment facilities made available to the public. A variety of problems related to public access are treated, including censorship, liability, labor unions, technical quality, production costs, equipment, and audience responsiveness. A section discusses CATV's relationship with the city government and the chapter following presents a series of conclusions and recommendations relating to audience development, making equipment available to users, funding public access, program quality, program information, subdistricting, and live origination. (PB)

ED 088487

THE WIRED ISLAND:

The first 2 years of public access to cable television in Manhattan



Fund for the City of New York
1133 Avenue of the Americas
NY, NY 10036

September, 1973

IR 000 321

This report was prepared by the professional staff and consultants to the Fund for the City of New York. While the Board of Directors of the Fund have warmly encouraged that the report be done in the interest of stimulating broad public discussion of the important policy issues involved, they have not as a group or individually been asked to endorse the report's conclusions or recommendations.

PERMISSION TO REPRODUCE THIS COPYRIGHTED MATERIAL HAS BEEN GRANTED BY

David Othmer
fund for the City of N.Y.

TO ERIC AND ORGANIZATIONS OPERATING UNDER AGREEMENTS WITH THE NATIONAL INSTITUTE OF EDUCATION. FURTHER REPRODUCTION OUTSIDE THE ERIC SYSTEM REQUIRES PERMISSION OF THE COPYRIGHT OWNER.

Copyright 1973 by Fund for the City of New York
1133 Sixth Avenue New York, New York 10036

ED 088487

THE WIRED ISLAND

The First Two Years of Public Access to Cable Television in Manhattan

Fund for the City of New York

Benno C. Schmidt
Chairman of the Board

Mario Cuomo
Victor H. Gotbaum
Seymour Graubard
Alton G. Marshall
Bess Myerson
Basil A. Paterson
Richard A. Ravitch
Benno C. Schmidt
Mrs. R. Peter Straus
Herbert Sturz

Gregory R. Farrell
Executive Director

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

By David Othmer

September, 1973

ACKNOWLEDGEMENTS

This report is the result of the combined efforts of many people: public access users, potential users, viewers, non-viewers, public officials, cable operators, enthusiasts and critics. I would like to thank them all--without their help I would have been much more of a blind man with an elephant than I have been. If, however, after all their help, I have still not been clairvoyant enough to see and describe public access in New York as it has really been for the past two years, it is my fault, not theirs. I would also like to thank Mike Hawkins who helped design the report, and worked on its early drafts.

D.O.

Contents

I. Introduction 1

II. Public Access: The First Two Years 4

A. A Typical Day on Public Access 4

B. A Statistical Summary 5

C. Public Access Program Content and the Users 6

D. Public Access Celebration (PAC), July 197[illegible] 16

E. Public Access Funding, 1971-73 18

F. The Cable Operators 21

G. Studio and Equipment Facilities Available to the Public 24

III. Public Access Problem Areas 28

A. Censorship 28

B. Labor Unions 29

C. Technical Quality of Public Access Channel Signals 30

D. Production Costs 31

E. Liability 31

F. The Audience for Public Access 32

G. Half-Inch Portable Equipment 35

IV. Cable Television and the City 37

A. The City Channels 37

B. New York City Office of Telecommunications 37

V. Conclusions and Recommendations 42

A. Audience Development 46

B. Making Equipment Available to Users 47

C. Funding of Public Access 48

D. Program Quality 54

E. Program Information 54

F. Subdistricting and Live Origination 56

Appendices

I. Summary of 1971 Center for Analysis of Public Issues Report

II. Regulations Affecting Public Access in New York City

III. Public Access Hours Cablecast, July 1971-June 1973

IV. Two Newspaper Articles about Anton Perich

V. Penetration Statistics for Manhattan

VI. Complaints Received by Office of Telecommunications

Glossary (Inside back cover)

I.

INTRODUCTION

Since July 1, 1971, two channels on each of New York City's cable television systems have been open for use by the public at little or no cost, on a first come, first served basis. In the beginning, many predicted that the channels would be used only by the lunatic fringe to produce boring shows of poor technical quality and no audience appeal. Others foresaw in public access TV (PA) opportunities for new forms of entertainment, community action, and citizen participation in the life of the city. Now, after nearly two years of work and experimentation, PA has found a lasting, if unorganized constituency and is on its way to becoming the wholly unpredictable mix of programming that its most serious advocates hoped for.

At first, the channels lay little used. But after October, 1971 when several of the program production groups formed specifically to ensure usage of the channels began submitting programming to the cable operators, utilization grew steadily. By June, 1972, over 650 original hours had been cablecast on the public access channels--about 60% produced by 10 major user groups. In June, 1973, over 330 original hours were cablecast on TelePrompTer alone--and many more users were in the field. The increased diversity is attributable to greater public awareness of PA's availability and to increased production facilities.

Of the more than 2,000 hours of original programming cablecast over the first two years of PA, much has admittedly been dull and of poor technical quality. But there have been enough good access programs to assure the use of

the local channels and to stimulate other public access experiments throughout the country.

This report examines how the channels have fared in their first two years, looks at the major unresolved issues and offers some conclusions and recommendations.

Background

Cable television is a means of transporting television (and audio or digital) signals between any two points by wire. Technology has developed to the point where it is only slightly more expensive to transmit 28-30 television channels than 5, 12, or 18. As a result, channel time--extremely expensive in a broadcast system of sharply limited channels--becomes inexpensive. Thus cable television is potentially far more than a re-transmitter of regular television signals. It can economically provide new services as well (see the Sloan Commission Report "On the Cable" for a list). One of the most interesting is use by the public.

Public Access in New York City

Cable operators are usually franchised by local governments (municipalities or counties), which give the operator an outright or de facto monopoly to lay cable and sell their services to residents and businesses within proscribed geographical boundaries. The franchiser can establish specifications for performance, fees and services. (In February 1972, the Federal Communications Commission pre-empted some of these rights.) New York City required each operator to set aside two channels for public access on July 1, 1971, and two this August.

Regulation of the use of these channels lay with the New York City Office of Telecommunications of the Bureau of Franchises from July 1, 1971

until the issuance of the Federal Communication Commission's Report and Order of March, 1972. That Report and Order held that the local cable operators should be the regulating bodies. Copies of the pertinent section of the F.C.C. Report and Order and of the regulations established by each of the cable operators are included in Appendix II. They provide that the operator shall have the right to preview all programs to determine liability and that channel time shall be allocated on a first-come-first-served basis, with some restrictions on the total time or total prime time for any one applicant in any given week. Operators filed rate schedules which made no charge for non-commercial presentations, but varying charges for commercial presentations and for equipment.

Work Program for this Report

The Fund for the City of New York was instrumental in promoting use of public access channels through a July 1971 grant to the Center for Analysis of Public Issues. Activities of that grant are reported in "Public Access Channels, The New York Experience," which is available from the Fund. A summary is reprinted in Appendix I.

This report updates the earlier effort. Research included interviews with all major users and many occasional users, cable operators, the New York City Office of Telecommunications, and several city agencies. Questionaires were also sent to a sample of 3,000 likely user groups contacted by the Center last year, and a telephone survey was made of 250 cable subscribers in Manhattan.

II.

PUBLIC ACCESS: THE FIRST TWO YEARS

A. A Typical Day on Public Access.

Watching public access programming is much like spending an evening in Times Square. It is exhilarating, frustrating, shocking and boring--above all, it is simply amazing. The shows run the gamut from serious but often dull discussions of drug addiction, being old in New York, or transcendental meditation through Baptist revival meetings, programs in sign language for deaf people, flying lessons, and Gay Activists Alliance demonstrations to a graphic description of a transsexual operation, a tape produced by a video synthesizer, or a lady in Pennsylvania describing how she grows radishes.

Technical quality varies from excellent to abysmal. Some programs are so flawed they are literally painful to watch--the picture is muddy, lines constantly flash across the screen, snow dominates. Others cannot be distinguished from network productions.

The viewer seldom knows what is coming next or how long he may have to wait for it. Programs sometimes follow sequentially with only a two minute break between them. But then there may be a 15 minute wait, with only a "Public Access 'C'" logo on the screen. At times a program may start and be cut off half way through--sometimes to be continued shortly, sometimes never to appear again.

Watching public access today is a near mystical experience.

B. A Statistical Summary.

July 1971-June 1972: During the first year, over one hundred groups or individuals produced some 650 hours of programs, slightly less than two hours of original programming per day. A dozen groups produced about 60 per cent of the programs, while the others produced mainly short series.

A total of 478 original hours were shown on TelePrompTer (TPT). Of these, 113, or about 25 per cent, were produced in TPT's studios. Sterling Manhattan (SM) ran a total of 475 original hours, all produced outside, since SM did not offer free studio time. Most of the outside shows transmitted by TPT were also shown on SM, reducing the total number of original hours for both systems to about 650, not to the sum of 478 and 475.

Programs were repeated often, sometimes as many as nine times in a given week. On the average, SM repeated its PA programs 3.6 times for a total of 1,700 hours, while TPT repeated programs 4.4 times for a total of 2,000 hours. Frequency of repetition was sometimes determined by the producer, sometimes by the cable operator.

Utilization of the channels grew steadily from July to December 1971, and then leveled off. The peak month for total hours was March 1972: SM cablecast 474 hours, 83.5 of which were original; TPT cablecast 326 hours, 50 of which were original. These figures deviate from the norm because of a 6.5 hour program on filing income tax returns which was repeated daily on both systems. In May and June 1972, utilization declined slightly, partly due to a technician's strike at TPT. The highest monthly number of original hours in the first year was 61 for TPT in December 1971; and 83.5 for SM in March 1972.

July 1972- June 1973. During the Fall of 1972, after the opening of the TelePrompTer's 125th Street PA studio, utilization by TelePrompTer increased drama-

tically. From less than 50 original hours per month during the first year, the average shot up to about 200 by the end of 1972, and to well over 300 by mid 1973. For the three months from December 1972, through February 1973, total original hours were 197, 197, and 203 respectively--of which 117, 111, and 120 hours (about 60%) were produced at the TPT 125th Street studio. The impact of the 125th Street studio is clear: from February 1972 to February 1973 the total number of original hours cablecast has more than tripled. While the number of outside program-hours doubled, the number of hours produced at TPT studios increased eight-fold. These relationships held steady through the first six months of 1973, while the total number of original hours increased to over 330 per month.

The statistics for Sterling Manhattan's PA operations are different, mainly because they have depended throughout on programming produced outside. SM's monthly level of original hours grew gradually during the Fall of 1972, to 93 hours in December 1972. In March 1973 the figure shot up dramatically (as did TPTs) to 170 original hours and stayed at that level through June 1973.

A statistical table is included in Appendix III.

C. Public Access Program Content and the Users.

Public access programs fall into the following categories:

--Community Issues.

More programs fit into this classification than into any other. They vary from programs aimed at solving specific community problems (e.g., a series dealing with the need for a traffic light in Washington Heights) through those aimed at general community information (the Lincoln Square Community Council programs) to those aimed at a particular community of mind (Transcendental Meditation).

--Entertainment/Talk Shows.

A great number of shows are patterned after the entertainment and talk shows on network TV. Many are produced by amateur actors or comedians who, anxious for any kind of exposure, take advantage of TPT's free studio. Other users want to develop their skills, or advertise themselves to people in network television. One of the most enthusiastic respondents to our poll was a man with no previous TV experience who packaged his own show and successfully syndicated it over a network of cable systems.

--Education/Information.

These productions include impassioned series on subjects like schizophrenia, advice on how to find an apartment, guides to what is going on around town, and a series sponsored by a local labor union.

--Artistic.

Groups as well as individuals have used the access channels to show their work, or to create new work. The Filmmakers Cooperative produced a series with filmmakers showing and talking about their films. Experiments in Art and Technology did a similar series. Experiments with video tape as a medium in itself are among the most exciting shows. When equipment is set up in a certain way, for example, a kind of moving abstract painting can be created.

--The Rest.

Existence of inexpensive video equipment and access to cable television has brought many unusual people and ideas onto the screen. Public Access in New York has had highly individual programming (e.g., street interviews on "Who is the Duke of Earl?") as well as shows where people talk quite literally for the sake of hearing and seeing themselves talk.

Users of PA are of three types: organizations established for the specific

purpose of producing for and developing users of PA; existing organizations which use PA as an additional way of reaching their audience; and occasional individual users.

The first, generally referred to as "facilitator groups," are usually foundation funded, own their own equipment, and are highly competitive with one another. Their competition arises from different approaches to PA--each believes the others to be impure or impractical--and from the scarcity of funds to support PA. These organizations were the backbone of PA during its first year. Without them, public access would not have developed. Since the fall of 1972, however, these organizations have become far less important. Local community groups have become active and have now replaced the facilitators as the driving force of PA. This development is healthy. While the facilitators played an indispensible role, their continued dominance of the channels would have negated the very goals they were striving to achieve. The facilitator groups have properly changed their approach to PA from producing programs to training people in the use of the equipment. Their job being done, many of them should probably disappear.

The second group, organizations whose existence is independent of public access, use the access channels best and hold the key to PA's future. Such organizations--among them the Vietnam Veterans Against the War, the Society for the Prevention of Drug Addiction, the Government Employees Union Local 1760, some Block Associations, the National Organization of Women, the Gay Activists, the Student Struggle for Soviet Jewry--use the channels to communicate with members, to show the public what their organizations are about, and to expand their activities. Many own their own equipment, often acquired primarily for other uses. The Vietnam Veterans use theirs for training tapes and interoffice communication as well as for the access channels. Others borrow or rent

equipment. A few use the TPT studio, but many feel it is too confining for their needs.

Although these organizations have become the major users of PA, some are discouraged by lack of response. This is probably due more to their own inexperience in using television than to lack of interest on the part of viewers or potential viewers. Most programs make no appeal for feedback, and some leave the identity of the producing group so vague that audience response is virtually impossible.

A third category, ad hoc organizations or individuals, are in many respects the "soap box" users for whom PA was designed. They have not dominated PA as expected, but have been important in ensuring the diversity that public access needs to be truly public. These programmers often use the TPT studio.

Examples of each of these three major user groups follow.

Public Access Oriented Organizations

Alternate Media Center
144 Bleecker Street
New York, New York 10012
(212) 598-3338
George Stoney, Red Burns
Started in April, 1971
10 salaried employees
1971-72 Budget: $130,000
1972-73 Budget: $150,000

AMC was by far the largest supplier of programs for PA's first year. Although no accurate records are available, a reasonable guess is that AMC had over 125 hours of original tapes, nearly 20 per cent of the total. Subject matter ranged widely, with some concentration on community projects. AMC is associated with New York University, and is supported primarily by a grant from the Markle Foundation. Most AMC employees are members of the faculty, students, or ex-students at NYU. AMC has always viewed the process of creating a video

tape as at least as important as the finished tape itself. Consequently, it was not overly concerned with viewer response or audience development, until last summer, when it shifted away from direct program production to concentrate on helping other groups set up PA production workshops. The first experiments outside of New York were in Cape May, N.J. and Reading, Pa. AMC assembled self-sustaining groups that, using equipment supplied by cable operators, local organizations or through fund raising drives, would undertake to do regular programming for PA channels. The experience in these two cities led AMC to offer its services, on a paid basis, to cable systems throughout the country. Since the fall of 1972 they have participated in setting up PA workshops in Bakersfield, Cal., Orlando, Florida, and DeKalb, Illinois. AMC has gradually developed a "package" in which the cable company pays for AMC's personnel as they set up a workshop, agrees to hire at least one local PA coordinator full time and provides sufficient equipment to keep the workshop going.

During the summer of 1972, in cooperation with SM and the Fund for the City of New York, AMC helped set up the Video Access Center discussed in Section F below.

Open Channel
220 West 42nd Street
New York, New York 10036
(212) 354-8910
Theadora Sklover, Executive Director
Started in July, 1971
12 salaried employees
200+ technical volunteer pool
1971-72 Budget: $143,000
1972-73 Budget: about $250,000

During its first year, Open Channel divided its efforts half and half between promoting the concept of public access and producing programs. Pro-

motional efforts included extensive speaking engagements, and continuing efforts to stay in the public eye through the press (articles, interviews, and briefings), and through television and radio talk shows. OC has negotiated a pro-bono agreement with a New York public relations firm (Ruder and Finn) and is seeking another with an advertising agency.

Open Channel's production efforts started slowly but by the end of August 1972, they had produced about 70 hours of programs. OC visualized public access as competing with the networks for viewers, and thus feels that programs must be of high technical quality. To achieve this, OC has assembled a pool of professional media people--from directors to cameramen--who train users and accompany OC equipment when necessary. The content of OC productions is wide ranging but concentrates on entertainment. OC has now shifted away from producing programs and toward developing "models" for access usage and establishing itself as a nationwide information service.

In February, 1972, the F.C.C. decreed the creation of three kinds of access channels: public access, educational access, and government access. Educational and government channels were to be used by those institutions under much the same rules as PA was to be used by the public. Since the summer of 1972, OC has been working with schools and prisons to develop models of how these institutions might use access channels. For schools, OC has developed uses in teacher training, curriculum development, parent and student involvement, and program production by any of these groups. This work has been sustained by grants from the Noble Foundation and Title III Federal Education funds totalling $80,000. OC hopes to develop similar packages for prisons. So far, with a $10,000 grant from the National Endowment on the Arts, they have concentrated on cultural programming from the inmates. Similar work in hospit-

als has not yet been funded.

Since the Cable Information Service in Washington D.C. deals only with official governmental agencies, many community groups interested in PA have written OC for information. OC would like to enlarge this operation.

Global Village
454 Broome Street
New York, New York
(212) 966-7526
John Reilly, Rudi Stein
5 full time people
1973 Budget: approx. $50,000

Global Village, established in the Fall of 1969, was the first major video production group. Before the public access channels were opened, GV produced tapes that were shown to audiences in its loft on Broome Street, and were taken around the country to colleges and universities.

GV has concentrated on producing high quality, heavily edited documentaries dealing with various groups (mental patients, homosexuals, environmentalists, artists) who find it hard to make themselves heard in the city. These tapes have been well received. In the fall of 1972, GV tried to shift its emphasis toward geographic communities--on the theory that public access can be more effectively used by a neighborhood than by a scattered group--but the limited availability of cable service prevented formation of coherent viewing/producing neighborhoods. GV also conducts videotape workshops in collaboration with the New School.

Survival Arts Media
595 Broadway
New York, New York
(212) 966-6530
Howard Gutstadt
seven full time people
1972 Budget: about $25,000

SAM, the successor to People's Video Theatre, is funded to work with community groups, and is mainly concerned with medical problems. Since the summer of 1972, SAM has been experimenting with two-way video interconnections. Working with the Cornell Medical Center, and several Cornell medical students, SAM set up a link between the cafeteria and a sickle cell screening center in the Julia Richman High School. The purpose was to give people in the cafeteria a view of the testing center, in the hope that being able to see and talk to the people actually undergoing testing would break down suspicion and fear. The experiment was a success, and SAM is working on others--often using master antenna systems.

Raindance
GPO
San Francisco, California
Michael Shamburg

P.O. Box 135
Ruby, New York 12475
(914) 339-5474
Ira Schneider

Raindance, one of the most innovative groups on funding, feels that PA should not depend entirely on foundation support. It has studied the idea of a viewer supported, live cable channel modeled on the Pacifica radio stations. It also published Radical Software, and has tried to expore the possibility of commercial production using inexpensive half-inch video tape. Top Value Television (TVTV, a Raindance affiliate) produced and sold one-hour shows on each of the 1972 political conventions. Raindance produced about 40 programs on a variety of topics for local PA television. It has now moved out of New York City, but continues to supply occasional tapes to PA.

Organizations Whose Main Concern Is Not Public Access

Experiments in Art and Technology (EAT)
Dr. William Kluver
[illegible] West 53rd Street
New York, N.Y. 10019
(212) 582-0570

EAT is a non-profit organization created to involve contemporary artists in interdisciplinary projects. It organized a series of 9 programs by New York artists for PA. The series was well publicized and arrangements were made for 2 locations where the public could watch without charge. An average of 30 people came to each viewing center each week, and EAT received considerable press coverage and many inquiries.

Gay Activists Alliance (GAA)
Ronald DiMartini
99 Wooster Street
New York, N.Y. 10012
(212) 226-8572

The GAA first bought video equipment to record demonstrations for its members, the public and, if necessary, the courts. Many of its PA tapes cover such demonstrations. Others deal with medical or educational material of interest to homosexuals and heterosexuals alike. GAA has made no attempt to get feedback from its cable audience and has received none.

Lincoln Square Community Council (LSCC)
Jerome Bona
5 West 63rd Street
New York, N.Y. 10023

LSCC is an umbrella organization seeking to improve the Lincoln Center area by coordinating efforts of all the major institutions and concerned citizens of the neighborhood. With borrowed equipment it produces programs of local interest, although many residents have no access to cable. LSCC has pro-

duced over 20 programs, but support for the project is not strong within the Council and there is occasional talk of discontinuing it.

Government Empolyees Local 1760
Robert Stone
P.O. Box 626
Corona-Elmhurst, New York 11373
(212) 699-6854

Local 1760 used the TPT studio to communicate union problems to the public through interviews with union leaders, government officials and rank-and-file members. Over the first year, however, leave time required by participants to tape the shows amounted to about $1,000. Last August, the Union decided it could not continue to fund this leave time, and the show was cancelled. Participants blamed low feedback on the limited number of union members with cable.

Student Struggle for Soviet Jewry (SSSJ)
Glenn Richter
200 West 72nd Street
New York, N.Y. 10023

SSSJ has produced half a dozen shows communicating its views to the general public. Its members, who use the TPT studio, report considerable feedback.

Non-affiliated Individuals

Phillip Jordan

Mr. Jordan, a New Jersey stockbroker, has lectured on the public access channels twice a month since the fall of 1971. His first lectures were on his singular interpretations of some Shakespearean plays ("Othello, the moor, was white, not black"). Recently, he has focussed on what needs to be done to preserve our society ("The greatest threat to civilization since the Roman Empire has been inflation").

Peter Abel

Mr. Abel, after conducting a weekly talk show for over a year, has put

together a program that is being syndicated on over 100 cable systems in the country. Mr. Abel did his public access show at TPT studio. "Without them," he asks, " how would I have gotten my start?"

Communitel

Gary Fisher has done approximately 10 shows on community issues. During one, he had his phone number in big numbers behind him and asked for calls. The tape was repeated four times, and he received 14 calls.

D. Public Access Celebration (PAC), July 1972.

In April, 1972, Survival Arts Media proposed a celebration to commemorate the first anniversary of PA. Plans included a retrospective showing of the best tapes of the year. 15 or 20 viewing centers were to be set up around Manhattan, with equipment available to record viewers' reactions, which would then be cablecast; and a "celebration" to be held in Central Park and televised over both cable networks.

Five committees were set up: Viewing Centers, Promotion, Programming, Technical and Coordinating. The Viewing Centers Committee found suitable locations and arranged to have porta-paks on hand to record reactions. The Promotion Committee developed advertising. The Programming Committee scheduled showings and picked the tapes. The Technical Committee arranged for drops and monitors in the viewing centers, made sure that the TPT-SM interconnection was in working order, and set up the live program in the park. The Coordinating Committee tried to maximize efficiency and minimize harrassment.

PAC needed the cooperation of the two cable companies. SM, although it participated in the first organizational meeting, was minimally involved. SM asserts that this was due largely to a management crisis shaking the company.

(President William Lamb had been asked to resign, but this was not publicly known.) SM's only contribution, other than channel and some studio time, was to arrange for a PAC advertisement in Time magazine.

TelePrompTer, on the other hand, contributed $1,000 in cash; offered space and telephones to the committee people; provided a truck to deliver monitors to the viewing centers; and provided the microwave link for the live celebration in the park. All of the feedback was taken to the TPT studios where it was fed over the interconnection to SM. Most of the live call-in program took place at the TPT studios.

PAC also received a $1,500 contribution from the New York State Council for the Arts. The $2,500 was spent largely for tape ($840), monitor rental ($300), phone bills ($300), and viewing center expenses ($600).

Overall, PAC was a success. Some viewing centers were not wired, some programs weren't run at the proper times, and a last minute crisis endangered the live presentation from the park. But people did respond. There was much feedback from viewers at and after the telephone call-in and, perhaps most important, cohesion among the often competing video groups began to emerge. Since PAC, participating groups have continued to meet and are trying to establish an organization to expand public awareness of PA.

The PAC committee held a series of meetings throughout the fall of 1972, aimed at developing an advocacy group for PA. But attendance declined until December, when rumors arose of an impending deal between Sterling Manhattan and representatives of John Jay Community College to open a storefront studio at John Jay and place control of channels C and D with the John Jay representatives. This suddenly brought the committee back to life. At two heated meetings, existence of the agreement was questioned until one participant produced a copy of the signed agreement. Further discussion revealed that the agreement, which

some felt would illegally and unwisely put the access channels under the control of a special interest group, had been made without the knowledge of the John Jay administration. At the suggestion of Herbert Dordick, then head of the New York City Office of Telecommunications, a moratorium was declared on new activities dealing with public access facilities until a committee could be formed to speak for both public access users and viewers.

A meeting for everyone interested in public access was called for late January 1973 at which time an interim public access committee was elected. The meeting was enlivened by a fight between the John Jay representatives and the original PAC group. The fight was of no interest to most of the people at the meeting--who were ignorant of and uninterested in the fight--who joined the fight only to try to stop it and get on with the stated purpose of the meeting which was to elect a committee. Late that night a committee of 10 members was finally elected. Most had little knowledge of cable, but a stated interest in working on its problems. The committee was mandated to prepare public reports on PA and its problems within one month. In mid-March, a second meeting was called--only slightly less rambunctious than the first. After an unsuccessful attempt to deliver sub-committee reports, and after many attendees had left, the interim committee was given a vote of confidence to keep up its activities for 90 days. During that time, workshops were to be held on PA funding, community participation, Public Awareness of PA, and design of an electoral process for a permanent council. At the end of the period, a Manhattan-wide election was to pick members of the permanent committee. At the time of this report, the workshops had not taken place and no electoral process had been devised.

E. Public Access Funding, 1971-73.

Over one million dollars was spent by individuals, foundations, gov-

ernment, and the cable companies on public access television in New York City in the first two years of operation. (By comparison, the annual budget of Channel 13, New York's public television station, runs $15-20 million.) Roughly 60 per cent went for production, with the remainder allocated to publicity and other items. Sixty per cent of the funds came from foundations, 20 per cent from various governmental bodies, and 20 per cent from the cable companies. A breakdown of the major givers and receivers is given below.

The temptation to try to develop a cost-benefit analysis must be resisted at this point. One can scarcely evaluate the effectiveness of a half-built bridge over a river. Although many programs have been produced and some feedback has been received, public access is still only half-built.

July 1971-June 1972

Group	Total Funding	Foundation	Gov't	Corporate
AMC	130	130		
OC	143	115	28	
GV	60	20	40	
SAM-PVT	20		20	
Raindance	20		20	
CAPI	46	46		
TPT	75			75
SM	25			25
OTHER GROUPS	60		60	
	579	311	168	100

Approximately fifty per cent of the foundation support was provided by the Markle Foundation to the Alternate Media Center ($130,000) and Open Channel ($18,900).

The remaining fifty per cent was divided among ten other foundations. The Fund for the City of New York provided the next largest amount: $46,000 to the Center for Analysis of Public Issues. It was followed by the Noble Foundation ($30,000 to Open Channel), and the Rockefeller Family Fund ($19,200 to Open Channel). Other foundations gave amounts varying from $2,500 to $15,000. About eighty per cent of the government support came from the New York State Council on the Arts, which supported about a dozen groups with a total of about $132,000. The remaining twenty per cent was split between the Federal National Endowment of the Arts, and the City Department of Cultural Affairs.

Funding for 1972-73 has continued at about 30% above levels of 1971-72.

July 1972-June 1973

Group	Total Funding	Foundation	Gov't	Corporate
AMC	150	130		20
OC	250	150	100	
GV	50	15	35	
SAM-PVT	25		25	
VAC	25	25		
TPT	90*			90
SM	55*			55
OTHERS	25	10	15	
TOTAL	670	330	175	165

*excludes capital costs of approximately $17,000 for SM and $25,000 for TPT; and excludes head end technical expense.

F. The Cable Operators

Direct Support of Public Access

TelePrompTer has spent more time, money, and energy supporting public access in New York City than has Sterling Manhattan. From the beginning, TPT offered free channel time, free use of equipment needed to put a program on the cable (tape decks, film chains, slide projectors), and free use of a studio (one camera, lights as-is). TPT also distributed a monthly PA program guide. SM never distributed a PA guide, and recently eliminated its regular programming guide.

During the first year, TPT's regular studio was available two afternoons a week, free of charge, on a first-come-first-served basis. During the first year one fourth of all PA programs on TPT originated there. In July 1972, TPT opened a store-front studio on 125th Street dedicated entirely to public access programming. Its utilization increased to eight hours daily by the end of the year, and by March 1973 the studio was being used 12 hours per day. During the first two months of 1973, TPT cablecast an average of 200 original hours per month, of which 60 per cent were recorded in the 125th Street studio. In March 1973 the figure jumped to 349 hours, 60 per cent still recorded at the 125th Street Studio. Originally all shows were taped, and shown later on the cable. During May, 1973, TPT cablecast 23 hours live during weekday prime time from the 125th Street studio. Live cablecasting was discontinued after one month, however, because of interference with the micro-wave system caused by construction across from the studio.

SM still does not allow public use of its studio facilities. All public access programming on SM, therefore, comes from outside producers. During the early summer of 1972, however, SM agreed to help establish an access center. Under an agreement with the Alternate Media Center of NYU and the Fund for the City of New York, the Video Access Center (VAC)--a viewing center and production

facility--was established in the West Village, close to AMC. SM supplies, but keeps title to, approximately $1[illegible],000 worth of half-inch videotape equipment--porta-paks, editing decks, microphones, lights, etc. AMC and NYU furnish the location and personnel. The Fund for the City of New York contributed $25,000 to pay salaries and rent for one year.

Video Access Center
528 La Guardia Place
New York, N.Y. 10012 (212) 598-3586
Maxi Cohen, Director and only full time employee
up to 20 part time volunteers
Operating Budget: $25,000
Began operations in September, 1972.

When VAC was opened in September 1972, its organizers hoped that it would serve people interested in learning to use half-inch equipment and to produce programs for the public access channels. After an initial burst of interest, it was thought, demand for VAC's limited facilities would subside, and training and program production could proceed in an orderly manner. VAC was promoted as a community center, and users were warned that a considerable amount of volunteer work would be needed.

As predicted, VAC opened to standing room only crowds. But they never subsided. During the week of March 12, 1973, 200 people applied for 18 positions in the training classes, and as many others were discouraged who telephoned for information. Volunteers to man the center have never been a problem and, while the center has been open an average of 8-10 hours per day, in six months only two small television monitors, valued at under $400, have been stolen.

Yet despite the utilization, little emerged in the form of completed programs for the cable during the first few months. There are three main explanations: Sterling Manhattan has not wired the VAC neighborhood (the West Village) extensively, so users who live near the VAC are unable to watch their pro-

grams except at the VAC. Moreover, some programs produced at VAC have been put on the cable at times other than those originally promised, thus reducing producers' enthusiasm. But most important of all, the VAC became a warm shelter in the big city, with no tradition of producing for the cable.

Since January 1973, however, VAC has become much more active in actual program production--both for the cable and for other purposes. By the end of May, 1973 VAC had produced over 70 programs (about 35 hours) for the cable. These programs were mainly one shot affairs, covering the gamut from community issues to strictly artistic performances.

The second area of program production has been to set up video projects throughout the city. A major program at the Veterans Administration Hospital has been working with veterans in the recreation department and the drug detoxification area. A volunteer from the VAC has spent two afternoons and evenings each week for several months showing people how to use the equipment, and producing tapes about conditions in the VA. For legal reasons, these tapes cannot be shown on the cable, or anywhere outside the hospital. Two volunteers have also used the equipment with drug addicts in treatment centers. Some tape, again not for cable, has been produced, and people have been trained. The VAC has basically allowed its efforts to be molded by its volunteers. Other than to promote the use of video, there seems to be no overall policy. Currently incorporated as a non-profit corporation, VAC is applying for foundation funding.

Costs

TPT estimates that its operating costs for July 1971-June 1972 were about $75,000, and costs for July 1972-June 1973 were about $90,000. SM estimates its operating costs for July 1971-2 at about $25,000, and from July 1972-June 1973 at about $55,000.

Users' Response to the Operators

In preparing this report, questionnaires were sent to all users of PA, and personal or telephone interviews were conducted with major users. User appraisal of the cable operators was extremely varied. Most users of the TPT studio facilities praised everyone at TPT. People who produced their own shows tended to be satisfied with SM, but either highly pleased or displeased with TPT. Those who were unhappy accused TPT of unnecessary delays, scheduling problems, and generally lackadaisical attitude. Many users said that SM's public access people were doing an excellent job under enormous corporate constraints from "those people at Time-Life." (Sterling Manhattan is controlled by Time, Inc.)

Public Access Records

Throughout the first year programming logs were haphazardly kept. There was virtually no way of determining what had been shown. TPT had a vague idea of the total number of hours cablecast, but had no idea how many were original and how many were repeats. SM had no idea of anything, and even had difficulty finding its logs. Both companies expressed embarrassment over the situation and as of October, 1972 both companies had improved their record keeping greatly. The records of subscribers, however, were better kept, more organized and more accessible, although SM, after initially cooperating with our subscriber survey, reversed itself and refused to supply more names because "Our subscribers are very important people and would not want us to divulge their names." TPT cooperated 100 per cent.

G. Studio and Equipment Facilities Available to the Public.

In the first year of public access, only two studios were available at

little or no cost. One was the TPT studio, the other was Automation House. Since mid-September 1972, the Video Access Center at LaGuardia Place has also been open. A fourth facility operated by the Neighborhood Action Program of Inwood-Washington Heights, is planned for the fall of 1973. In addition, some 15 groups have equipment that is available to the public under varying conditions.

The TPT studio is company owned and operated. It is equipped with one camera, non-portable, one-inch equipment. All programs are of the same basic format: people sitting around a coffee table, talking. TPT has one Sony porta-pak, but no decision has been made on its use. To record a program at the TPT studio, a would-be user applies for an appointment. Within two weeks, the user is contacted to arrange a taping time.

TPT calls the 125th Street studio a viewing center as well as a recording center, but it is difficult to view programs there, for several reasons:

--The space to be used is arranged as a formal reception room, which inhibits informal viewing.

--The sound-proofing between the reception area and the studio is inadequate. It would be impossible to record while programs were being viewed.

The Video Access Center is quite different. The VAC is a non-structured, user-oriented place which has concentrated on training. Although in theory it is open to anyone at any time, demand for its facilities has limited its openness. Nevertheless, people can drop in for viewing, or simply hang around.

Both centers have been heavily used. The TPT studio has produced much more programming, the VAC has trained many more people. TPT programming has been highly standardized, while the small amount of VAC programming has been quite varied. The TPT studio has failed as a viewing center, and the VAC has not been used for viewing as much as was expected. Both have been partially

successful, both could be improved, and each could learn from the other.

Automation House (AH)
49 East 68th Street
New York, New York 10017
Walter Tyminski
(212) 628-1010

Automation House has had a one-inch studio for several years. In June 1971, AH and Sterling agreed that AH would make its studio available for public access, and that SM would build a direct link to the AH studio. Over the first year, about 100 hours were recorded at AH by four or five regular users and a few occasional groups. Initially, AH charged for the use of its studio, but the fee was dropped midway through the year.

The interconnection between AH and SM was never built, and usage of the studio dropped to the point where AH considered halting its use. Demand for the AH facility picked up during the fall of 1972, however, especially by artists and artistic groups, and AH is modernizing its facility. The studio is currently equipped with black and white, one, and one-half inch equipment, and hopes to add color capability soon.

Neighborhood Action Program (NAP)
3958 Broadway
New York, N.Y. 10032
(212) 928-5760
Gordon Linfield

In the spring of 1972, the Washington Heights NAP contacted AMC to create an access center in northern Manhattan. If NAP bought video equipment and found space, AMC agreed to train local users and administer the center. NAP voted funds to buy equipment and purchase orders were submitted to the NYC Government Purchasing Department during the summer. AMC and NAP worked together to find space and develop operating procedures. NAP and AMC had a brief quarrel

over control of content of the productions. AMC insisted on totally open access. NAP, claiming to be the voice of the community, wanted control. The issue was settled with an agreement that AMC run the center for a three-month trial.

The more serious problem is getting the equipment. By April, 1973, it had still not been received, partly because the Purchasing Department's procedures are cumbersome, and partly because NAP has not been an effective expenditer. The equipment arrived in mid-summer, and NAP and the Alternate Media Center expect to open the facility to the public in September, 1973.

III.

PUBLIC ACCESS PROBLEM AREAS

A. Censorship

Until Anton Perich appeared on public access TV, only four programs had been censored: two as pornographic, one as possibly libelous and another as possibly commercial. Users agree that they have not been harrassed or over-censored by cable companies. Nudity and four letter words are not uncommon on the PA channels, and no complaints had been filed with either the New York Office of Telecommunications or the cable companies.

The two tapes rejected as pornographic were a film in the Experiments in Art and Technology series which depicted sexual intercourse (Sterling Manhattan rejected the tape after careful consideration and received no complaint from EAT), and a tape done by Raindance depicting attempted masturbation of a patient in traction in a hospital (SM rejected the tape and Raindance did not object).

The tape censored as libelous recounted a woman's experience with what she felt was medical malpractice. SM asked her to redo the tape, omitting individual names. She did so and the tape was run.

The tape questioned on commercial grounds was the Global Village tape "Transsexuals." SM did not mind the subject matter, which included views of transformed genitalia, but did object to inclusion of clips from TV commercials showing various beauty aids (skin lotions, hair remover). The tape was ultimately shown on public access without these commercials.

There was no further censorship incident until last January, when Anton

Perich began to show a series of tapes which might be described as sexual comedy. At first, TPT absolutely refused to cablecast the Perich tapes. Lately they have been showing them, but censoring them simply by turning them off when they reach a point that TPT feels is obscene. SM, which has shown the tapes from the beginning, previews the tapes and then asks Perich to re-edit, eliminating sections SM deems obscene. Two newspaper articles on these tapes are included in Appendix IV.

Although censorship has been a minor problem during PA's first two years in New York, the overall question of program content responsibility has not been resolved. As far as PA is concerned, the cable companies are now the interpreters of the First Amendment to the Constitution. One way to relieve them of this responsibility would be designation of the PA channels as common carriers. (This could be initiated by the F.C.C. but would probably ultimately require Federal or State legislation). Responsibility for the PA channels would then shift from the companies to the users. Many cable companies and City Councils oppose this solution, however, because they would rather have PA programming strictly controlled.

B. Labor Unions

Unions could strangle PA by refusing to allow anything to be shown that has not been shot with union labor. Several skirmishes have taken place but no major confrontations. Open Channel has had the most experience with unions, having a large talent pool of professional TV personnel. OC has cleared participation of each member with his respective union, not difficult to do since pool personnel are not paid.

In a few cases, OC and others have been prevented from taping performances within buildings (Lincoln Center, the Delacorte Theater) by the unions. OC has had no trouble, however, taping union performers in locations which did not involve other unions (e.g. Riverside Park).

City hearings pose a problem when they are covered by the networks. When AMC tried to cover a prison reform hearing, for example, newsreel operators would not let them set up their equipment. Since the newsreels only wanted a

little footage, however, AMC waited until they had left and then covered the rest of the hearing.

OC has actively tried to resolve problems with the unions, but has not been able to negotiate a definitive agreement. Most other users, unwilling to risk a confrontation, prefer to wait until public access has a firmer footing.

C. Technical Quality of Public Access Channel Signals

The quality of the signal transmitted over channels C and D has been uneven and unpredictable, a source of great concern to all users. Everyone realized that half-inch tapes--on which PA's success depends--could not compete with two-inch broadcast quality but hoped that low quality would not make viewing intolerable.

There has been no correlation among quality, material (e.g., one inch tape, film, half inch tape), time of day or location. The same tape can be good in the morning and bad in the evening, good on 72nd Street and bad in the Village, or even good on one system and bad on the other.

The following conclusions can be drawn:

--Half inch cable is capable of generating a signal which can produce a picture on cable television indistinguishable to the untrained eye from most network pictures.

--The quality of recorded half-inch tape is determined by the condition of the recording equipment. If the recording heads are dirty or slightly out of alignment, the tape will be of inferior quality and is sure to look bad on the cable.

--Even if the cable operators receive a good tape, the quality of the signal over the cable system can be affected by three factors:

The play-back equipment may have dirty or misaligned heads (accounting for the same tape's transmitting a bad picture in the morning, but a good one in the afternoon after adjustments have been made).

The cable operator may not properly adjust the equipment that takes the signal from the play-back recorder and transmits it over the cable.

If this fine tuning is not done for each tape, the quality can vary tremendously.

The cable system's trunk and feeder lines and amplifiers may be in varying states of repair. It is thus possible for the same tape at the same time to come across well on 72nd Street and badly in the Village. This factor is further complicated because the performance of an amplifier may vary as a function of temperature, humidity or age.

Most engineers, trained on high quality two inch equipment, consider half inch tape a bothersome fad and don't pay much attention to it.

D. Production Costs

Costs to public access users range from nothing to over $1,600 for half an hour. A user producing a talk show at the TPT studio can do so at no cost, although it may cost TPT between fifty and one hundred dollars. A user borrowing equipment from an established group or friend can produce a program for the cost of the tape ($25-30 per hour). A user renting equipment can get a basic porta-pak rig for $75 per day ($225/week or $450/month). If he produces two hours of programming per day, his costs come to about $65 per hour.

An individual who owns his own equipment must count on a capital investment of at least $2,000. His per-hour costs depend on the use he makes of the equipment. A group funded to do public access, which must include salaries and overhead in any calculation, will spend anywhere from $200 to $1,000 per hour depending on the complexity of the production and the overhead. (Open Channel estimates its production costs at about $1,000 per hour; the VideoFreex estimate theirs at about $200 per hour; and the EAT series cost an average of $383 per hour.)

E. Liability

SM initially required users to sign a contract releasing SM from all liability. The contract was long, complicated, onerous, and threatening. The Alter-

nate Media Center and the Center for the Analysis of Public Issues (Deafness Research Center, The Elders, Consumers Union) refused to sign. The General Council for NYU, in fact, advised both the Deafness Research Center and AMC not to sign, even though he believed the contract was unenforceable. SM ultimately decided not to press the matter, and the contract issue was forgotten.

TPT originally did not require contracts, but since it opened its studio on 125th Street, it has required all users to sign a brief release. Neither company gave up its right to preview all programs before they went over the cable.

As it stands now, both user and cable operator are liable should a viewer bring suit for defamation or copyright infringement. The Federal Communications Commission has recognized the problem, and seems to want the issue settled through a test case in the courts. After more than one year of operation in New York, however, there have been no suits or threats of suits.

F. The Audience for Public Access

When the public access channels opened, few people were interested in the audience. Partly from naivete and partly from a deep conviction that public access was anti-channel--an underground medium that should not be guided by the hated Nielsen ratings--PA users and proponents discouraged all talk of audiences.

To a large extent this attitude was correct. Public access, by its very nature, cannot be system-analyzed or "preprogrammed." Its aim is to give the medium back to the people. An integrated scheme to ensure that viewing centers be available at a given time for people interested in a certain show would not be public access. It might have been foundation access, or Pentagon access or the liberal establishment access, but not public access.

By spring of 1972, however, observers began to realize that something was missing. The public was using the access channels in growing numbers, but no one

knew if anyone was watching. More important, as users began to regard the channels as a means rather than an end, they realized that PA would be useless without viewers. Over the next year, pressure to publicize PA and attract viewers grew. Almost every user surveyed said that his first recommendation is to publicize public access.

Survey Results

A random survey of cable subscribers (150 in the TPT area, 100 in the SM area) made in October, 1972, showed that:

--30 per cent know what public access is; 20 per cent watch occasionally and about 5 per cent regularly.

--The 70 per cent who do not watch blame the difficulty of learning when programs will be shown.

--Few viewers are bothered by the technical quality of public access programming and most consider it "fine."

--About 7 per cent of subscribers are interested in being on public access.

--Nearly 10 per cent of the TPT viewers had seen someone they knew on the PA channels. The percentage was far lower among SM viewers.

--Viewers tend to think of PA users as "interested, involved, community people."

The survey of the fifty plus PA users revealed that:

--Most groups received little or no feedback.

--Much that was received came from people without access to cable who wanted to know where to watch, or from people who found program times and listings unreliable.

--Most groups did not seek feedback, but those who did tended to get it.

The last point deserves comment. Many PA productions did not include easily read credits--and few programs contained requests for response. The EAT programs indicate that, where the user cultivates an audience and encourages a response, he can get one. EAT arranged with two viewing centers to allow people to watch free. This attracted over 500 people to the centers, and received considerable coverage in the press. Many requests were received from other artists who asked to be included in future programs and people in other cities who sought information on how to produce such programs. With the exception of the programming AMC and OC did in the Inwood-Washington Heights area, moreover, most programming has been aimed at people among whom cable penetration is lowest: the poor and disenfranchised; and the poor and disenfranchised are the last to get cable television simply because they are poor and disenfranchised.

One of the greatest obstacles to PA development is the uneven penetration of cable in the various neighborhoods of Manhattan.

Penetration Statistics

Approximately 114,000 of Manhattan's 687,000 households are wired for cable television. They are distributed unevenly. Penetration statistics for TPT, which claims to have laid trunk lines throughout its franchise area, are as follows: Inwood-Washington Heights, about 34 per cent; East side, 29 per cent; West side, 28 per cent; and Harlem, 20 per cent. Statistics for SM, which has not laid all of its trunk lines, are: East side north of 58th Street, 35 per cent; East side between 18th and 58th Streets east of 5th Avenue, 30 per cent; West side north of 58th Street, 25 per cent; and all the rest, lower Manhattan and the lower West side, about 20 per cent of residences passed by cable (see map on back cover and Appendix V).

TPT says that it is making connections as fast as it can throughout its area, and that it is held back only by recalcitrant landlords and by demand limitations. SM makes no effort to hide the fact that it has reduced its new

installations to improve its cash flow. (Each new installation, even if the apartment is already passed by the cable, represents an investment of $60-70 --$35 for the converter, $15-20 for installation materials, and $10-15 for installation labor costs. This represents nearly a full year's income to the cable company. So SM can make its books look better, in the short run, by stopping new connections. The costs of connecting a subscriber when the apartment is not already passed by the cable is obviously far higher. The industry rule of thumb is $150-200 per subscriber.)

* * *

No one knows accurately the composition or size of the audience for public access. There is evidence that some programs have had substantial audiences, but most programs would probably appeal to those who either cannot afford cable or live in uncabled areas of Manhattan. The original disdain that most public access producers had toward viewers has changed, however, and many are now extremely concerned with finding ways to develop an audience.

G. Half-Inch Portable Equipment

Most PA production outside of the TPT studio has been done on half-inch, Sony videotape equipment. Although there are other brands, all new half-inch equipment is compatible and Sony dominates the market. Many technical problems that users have can be traced to their equipment. It should be pointed out, however, that the half-inch Sony porta-pak was not designed for cable television.

The equipment is inexpensive and is inexpensively made. Knobs and switches sometimes fall off or the camera's eye-piece breaks. Mechanisms are shoddily made. Linkages fail and the machinery that operates the moving parts breaks down. Under continuous use, at least one of every three or four porta-

paks is likely to be in the repair shop at a given time.

A television signal is recorded by putting electronic impulses on a piece of tape in a certain pattern and at a certain speed. Half-inch equipment does not provide a stable, well-synchronized signal. And a half-inch tape played on a cable system may reproduce badly unless the transmission equipment is carefully adjusted. Since half-inch equipment was designed for leisurely use on closed circuit systems it will perform well on cable only if reasonable care is exercised in both producing and cablecasting.

Sony has not responded to suggestions that it improve the Porta-Pak for use by cable. Some critics charge that Sony is protecting its larger market for three-quarter, one and two inch equipment which it sells to broadcasters. Others say Sony is afraid of patent problems if its half-inch equipment becomes too widely used. In any case, Sony appears to be working to develop a portable color camera for the Porta-Pak and/or the 3/4 inch equipment. If an economical color camera is developed, then improvements in the Porta-Pak can be expected.

IV.

CABLE TELEVISION AND THE CITY

A. The City Channels

The franchises awarded cable television operators allocate two channels to the City of New York separate from the two public access channels. The City has made virtually no progress in their use since the 1971 report. Sporadic flurries of interest in one City agency or another raise hopes that the channels will be used, but no one has ever been able to generate enough momentum to get some programming on the cable. Most people blame a lack of money and effective leadership. One of the unfulfilled mandates of the new Office of Telecommunications is to ensure that the channels are used.

Some City agencies have helped non-government groups prepare materials for the public access channels. The Department of Cultural Affairs paid tape costs of Open Channel's programs on some of the Department's summer entertainment in the parks. The Youth Services Administration, through the Neighborhood Youth Corps, funded four summer jobs for teenagers to learn about video with the help of Open Channel. Moreover, the City does operate two UHF stations--WNYC, operated by the City government, and WNYE, operated by the Board of Education.

B. New York City Office of Telecommunications

On July 1, 1972, exactly one year after public access became a reality, the City established the Office of Telecommunications (OT) under the Bureau of Franchises. Although appointed by the Mayor, the coordinator of the OT reports to Morris Tarshis, Director of the Bureau of Franchises. Mr. Tarshis, who was responsible for the franchises currently in effect between the City and the cable operators, maintains tight control over the activities of the OT. Herbert

Dordick, who was coordinator of the office from June, 1972 to June, 1973,* says it has four functions: enforcing existing contracts with the two cable operators; franchising the remaining boroughs; developing users for the two City channels; and formulating overall policy for cable.

With an annual budget of about $200,000, the office has been assigned five personnel lines including the director. In addition, OT has access to two lawyers from the City's Corporation Council's Office, and to three city planners from the Planning Department. The lawyers and city planners are used on an as-needed basis. The lawyers deal with FCC regulations and any other legal matters that arise. The planners work on a return-on-investment model to help develop criteria for awarding new franchises.

Enforcement.

One and a half of the five man years are assigned to enforcing existing franchise agreements by checking on the systems' technical performance and monitoring the operators' reporting procedures.

Technical performance is checked in two ways. First, the OT monitors complaints, which tend to fall into three major categories: failure to follow up on service calls, failure to install new connections as promised, and failure to wire certain parts of the city. Since the Bureau of Franchises began to keep records in 1971, 181 complaints have been received, 145 (78%) against SM, and 41 (22%) against TPT. 51% were from people who wanted to subscribe but couldn't, either because the cable didn't reach them, or the cable company had no access to their building. The remainder were complaints about service to current subscribers. A breakdown is given in Appendix VI.

Complaints are passed on to the cable operator, and OT checks with the complainant within a few days to make sure that the operator has remedied the

* There has been no replacement for Dordick, and none is expected until the new Mayor takes office in January, 1974.

problem.

Second, the OT makes periodic checks of system performance. These take the form of visual observation of the picture, and instrument measurement of various indices (cross-modulation, tap signal level, signal to noise ratio, etc.). The necessarily subjective visual standards--good, fair and poor--were set by the OT in cooperation with the two operators. (F.C.C. standards govern the instrument measurements. The OT has found, however, that although F.C.C. standards are reasonable for small systems, they are minimal when applied to large, urban systems.) OT keeps records of its measurements--both objective and subjective--with the aim of developing more meaningful standards.

The systems' reporting requirements are also monitored by the enforcement personnel. Reports on all aspects of the system--new construction, programming, numbers of subscribers and their turnover--are due on specific dates and operators are notified when required reports fail to arrive.

Both systems' picture quality is fair to good, although TPT is more consistently so than SM. Neither operator keeps records of its maintenance efforts, however, and the 48 hour response to a customer complaint required under the franchise agreement is not being met. (One subscriber when he called to have his cable connection fixed, was told by the TPT service department that immediate action would be forthcoming only if several calls from the same building indicated a major problem. Otherwise, the trouble would not be corrected for several days.)

Future Franchise Planning.

One and a half man years of effort is devoted to planning for franchises in the remaining four boroughs of the City. Master plans for the five boroughs

deal with such issues as how the systems should interconnect and whether or not there should be institutional cable networks interconnecting police, hospital, educational and other such institutions separate from the subscriber system. Planning is also being done for individual geographic areas. Criteria for new franchise areas include the demographics of given districts, opportunities for community involvement in the cable use, profitability potential and capital requirements (a maximum limit of $15,000,000 is sought). OT estimates that there will be three or four districts each in the Bronx, Queens, and Brooklyn, and one or two on Staten Island.

Programming.

Approximately one man year of effort is spent on the public access channels and the city channels. The OT has chosen not to become an advocate in the continuing struggle between PA users and the cable operators, and has succeeded in being a moderator and an arbitrator between the two groups.

Within its budget restrictions and those of the City, OT has encouraged City departments to use the city's channels. It has helped John Jay College put instructional material for policemen on the cable; has worked with the Cultural Affairs Department on programs to inform viewers of what the Department is offering; and is considering making the city channels available to groups such as the New York State Council for the Arts. The State Council could use a channel for artistic purposes: "Channel A for the Arts."

Policy Guidance.

The remaining man year of effort goes towards developing policy guidance and determining where the City and OT dovetail with State and Federal regulatory agencies that exercise some control over cable television.

The Office of Telecommunications is both a regulator and a policy maker. Dordick feels that one of the major problems facing the city is to decide whether these two functions should remain in one office. It is difficult for the

same agency to monitor the technical performance of an operator, and provide unbiased, overall policy guidance on cable development. Even the most effective regulators tend to see the problems through the eyes of the operators, and are at a disadvantage when asked to formulate innovative new policies. Since regulation is a necessary and immediate concern of OT, moreover, that job tends to get more attention than long range planning. (These inherent problems led the Nixon Administration to establish the Office of Telecommunications Policy as a branch of the White House, separate from the Federal Communications Commission.)

At the time he left office, Dordick had a staff of four. He estimates that with cable in Manhattan alone, an additional two people are advisable, especially in the area of enforecement and future franchise planning. Once cable has been extended to all boroughs, assuming no change in assignment, Dordick believes that 12 people will be needed to carry out OT's job. These 12 would be divided equally between engineers and technicians to handle enforcement, and planners and programmers to handle the other functions. Their addition would double OT's budget to about $400,000 per year.

V.

CONCLUSIONS AND RECOMMENDATIONS

The first two years of public access have been a qualified success. A large number of individuals and organizations have used the channels, for a variety of practical and experimental purposes. But many forces could yet strangle PA's vitality. Restrictions on the use of crude language (how can you interview in the street without it?) or controls over the technical quality of tapes are examples. Individually, such rules might be small and defensible; their combined impact could kill public access. One-camera studio formats could so imbalance programming that PA might develop the reputation of being just three people sitting in front of a plastic potted plant talking, talking, talking. Facilitator groups, by dominating the ultimate users, could turn PA into a medium not of the people, but of the facilitators themselves.

There is no surer protection against these possibilities than an alert public, and the best way to create an alert public is to promote and extend the use of public access. For PA to thrive, it must have a varied diet--the product of many, unrelated cooks working in many kitchens. The recommendations of this report aim at this goal.

Our major findings are:

1. The original concern about public access--that no one would use it--is unfounded.
2. The most pressing need is to inform the viewing public about the existence and availability of public access.
3. Public access programs are relatively easy and inexpensive to

produce, and need not compete with the networks technically to attract an audience. Under the worst possible conditions PA now has an audience which rates quality as "fine." Besides, many technical problems are the cable operator's responsibility and beyond the control of the user. Furthermore, most current public access viewers do not regard public access as being in competition with the networks, and are often charmed by the obvious amateur nature of some productions.

4. Cable operators have been generally sympathetic and cooperative with PA users. But they have avoided the important issue of subdistricting to broaden cable's accessibility.
5. Public access is unnecessarily limited by failure of the Federal Communications Commission to designate access channels as common carriers. Content liability is now shared by the system owner and producer, forcing operators to pre-view shows, and complicating live programming.
6. The New York City Office of Telecommunications has an extremely complex job and is understaffed and under-authorized.

The major recommendations of this report are:

To Funding Sources

Funding should go primarily to provide tape and equipment centers, viewing centers and publicity for public access, not for program production. Public access, to develop as a new medium for mass expression, must be used by many diverse people. Funding should provide exposure, training, and equipment for as many people as possible, not support for individual production efforts. Ultimately, public access must be supported largely by the public--all the people and organizations which benefit from its existence.

To the New York Office of Telecommunications

The cable operators' role should be that of a technician. The operators should be required to provide only free and good access to channel time (they may, however, be required to help fund equipment centers operated by others). If cable operators become too involved in policy, PA may become dominated by the operators and cease to be public access.

The OT should, therefore:

- urge the Federal Communications Commission to give the access channels common carrier status.

- set and enforce technical standards for cable operators' transmission procedures (not standards on the quality of tapes submitted but on how operators handle those tapes).

- enforce franchise requirements that subdistricts be established and that there be origination points in these subdistricts.

- dedicate at least one full-time person to 1) coordinating the City's use of the City's channels, and 2) being a public access advocate by providing technical information, and funding information to users, and by publicizing PA in order to help develop PA's audience.

- since cable will be extended to other boroughs within a few years, the OT should also develop strict regulations on interconnection of the estimated 10-15 franchises.

To the Cable Operators

It is in the operators' interest to be efficient but passive suppliers of diverse transmission facilities for public access programming. Operators should:

- support efforts to achieve common carrier status for the public access channels.

- require their technicians to treat transmission of public access pro-

grams as carefully as that of regular broadcast television over the cable.

- provide subdistrict origination points.

To Users

Our prime recommendation to those who use or would like to use PA is simply that: USE IT. Produce programs, agitate for funds, but above all, use the channels. We do not recommend permanent committees to represent the public in struggles among the Office of Telecommunications, the cable operators, and the public. Such committees would be more destructive than constructive. No representative body is ever entirely representative, so the public would soon be "represented" by individuals with their own axes to grind, and PA would become dominated by special interest groups. Individual issues should be dealt with by temporary committees established for that purpose and then disbanded.

PA exists, is working, and can work only if it is uncontrolled by any group. In the environment there are strong forces opposing change, and these forces need equivalent countervailing forces to force change. There is no organized effort to kill PA. There are many people trying to make PA what they want it to be, but this diversity gives it life. An organized group speaking for PA would probably serve only to destroy the vitality of the concept it was trying to protect.

Some members of the Public Access Celebration group are trying to establish a permanent PA committee at the suggestion of the OT. The ideological and physical clashes that characterized the first two public meetings of that committee make it clear that if any group is selected, a major share of PA users

will feel left out.

Let there be chaos, if necessary, to assure that public access remains truly public.

Users should also:

- seek audience appeal as much as high quality tapes.

- press the City, the foundations, private corporations and PA viewers and users to provide equipment and tape.

- concentrate on immediate problems rather than the long term role of public access.

A. Audience Development

Public unawareness of PA, lack of publicity by users, and lack of access to the cable have interfered with audience development. PA is only half realized unless people know about the shows and have access to a cable TV set. Extending access means either increasing the numbers of people with cable TV, or setting up viewing centers.

It is in the cable operator's interest to increase the number of subscribers. But the only short-term means of increasing the audience is through viewing centers, which have the added virtue of creating a community atmosphere. Tests of temporary centers have been successful: Experiments in Art and Technology (EAT) set up two for their series on artists, and during the PAC Celebration, about 15 centers were set up throughout the City. One-shot viewing centers occasionally have been used by producers to show their tapes. The Elders was shown on cable and in viewing centers set up at the Henry Street Settlement House and the Sirovich Center. Downtown Community TV has a mobile van that serves as a street viewing center throughout the summer.

The obstacles to establishing permanent viewing centers, however, are considerable. Centers must be conveniently located; open during the afternoons and evenings; secure from vandalism; and inexpensive to operate.

Further study will be required to find the best locations. But some possibilities include:

- libraries, schools (which generally have facilities and are already wired),
- hospitals, fire and police stations (open 24 hours, secure, already wired),
- cable operator's sales demonstrations stations,
- coffee houses, bars,
- community centers (day care facilities),
- facilities of community organizations such as block associations or women's groups.

We recommend that viewing centers be established throughout Manhattan, at least one in each of the twenty subdistricts, in a variety of formats to help determine which are most successful.

B. Making Equipment Available to Users

Most individuals and groups are not organized or equipped to use public access. Equipment must therefore be available at little or no cost to all potential users. For variety and flexibility, the equipment must be both of the portable half-inch variety as well as the static, in-studio variety.

There is no model facility. Each should be shaped to the community it will serve. Nevertheless, a format based on portable equipment and community involvement provides the flexibility and informality required to attract many

different kinds of groups. Such facilities could be created as adjuncts to established community organizations. If the administrative problems of managing equipment and staffing the premises were overcome, such facilities could be run at low cost.

We recommend at least four additional access centers in Manhattan--one for the Lower East Side, one for the West Eighties or Nineties, one for lower Manhattan, and one in Chelsea. Different ownership modes should be tried. Of the four in existence or planned (125th Street, LaGuardia Place, Automation House, Inwood-Washington Heights), one is wholly company owned, one is partly company owned, one is Foundation owned, and one is owned by the City government. One self-sustaining center should be tried, charging low rent for equipment use. Others might be operated by private non-profit organizations such as a church or community organization. Viewing centers should be located beside equipment centers.

Although relatively unimportant, the cost of tape has kept many would-be users from PA. Each equipment center should have a supply of tape which can be borrowed on condition that it be returned or paid for.

C. Funding of Public Access

Four questions are involved with funding: What organizations should fund PA? What activities should they support? How much funding is required? How should the funding be administered?

What organizations should fund PA?

Public access funding should be a combined effort of foundations, government, cable operators and the public. Many have suggested that part of the franchise fee paid by the companies to the City be used to support PA. The latest Federal Communications Commission rules set the franchise fee at no less than 3 per cent of gross income, and no more than 5 per cent. (In New York City

it is 5 per cent.) To receive more than 3 per cent, a franchiser must justify its need to the FCC. Use of some of the money for support of public or governmental programming is one justification. New York is not bound by the new FCC regulations at this time, but there will be great pressure on the City to use part of its income to support programming.

Foundation support is needed to help set up viewing and equipment centers. Funding should not go for running them on a long-term basis. Operating expenses should be met by that part of the franchise fee allocated to program support, and by individual user organizations.

The cable operators should continue to help fund PA. Ultimately, however, their contribution should be limited to 1) making channel time available, 2) cablecasting programs on the cable, and 3) providing easy access throughout the franchise area.

Finally, viewers should help fund PA through contributions and volunteer work. If PA is to belong to the people, it must receive more than passive support from them.

What activities should be funded?

The first two years of experience suggest that the early pattern of funding--high concentration of money in a few organizations for program production--was logical and effective, since the initial thrust was to ensure that PA be used. But PA has reached a new stage of development, and funding patterns should change if it is to grow.

By and large, PA users should be groups whose prime interest is elsewhere--who use PA as a means and are not paid expressly for producing shows. No additional funding should be granted for producers' salaries. Public access channels must belong to the people: to the housewife who uses them to communicate, to the artist who uses them to experiment, to the activist who seeks social change. If the current form of funding is continued, public access will

follow in the footsteps of radio, commercial television and "public" television (i.e., taken over by representatives who may or may not represent the public and who can determine, with little accountability, what can be seen, by whom and when).

Future efforts should concentrate on providing equipment, maintenance and tapes, and on seeking ways to increase PA's audience. Current facilitator groups, having proved that PA will work, should either (a) disappear, (b) support themselves as caretakers of equipment and information centers and/or trainers in the use of equipment, or (c) support themselves as commercial production houses.

Some user groups may strongly dispute these conclusions. It should be noted, however, that several have already changed their focus: The Alternate Media Center now concentrates on training; Open Channel works with schools and prisons and seeks to establish itself as a nationwide information center; People's Video Theater (now Survival Arts Media) wants to develop specialized two-way and hospital-related uses; Raindance is experimenting with commercial program production. These are healthy trends, and should be encouraged.

How Much Funding is Required?

Most of the $1,000,000 spent on public access here in 1971-3 went to program producers. We believe this money was well spent, but in the future funding should focus on making equipment and facilities available. Since much of the first year money was spent exploring what turned out to be blind alleys, and on producers' salaries, the budget for the next few years can be reduced.

We recommend that the following areas be funded:

Production Facilities: The TPT 125th Street studio shows that a one-

camera, black-and-white, one-inch stationary set-up can be obtained for about $20,000. This can produce unedited, studio-format productions only, where shooting is done by TPT staff. The VAC on LaGuardia Place demonstrates that, if a center is to serve as a training center and a production center using half-inch portable equipment, a minimum of $20,000-25,000 of equipment is necessary. Such a center can produce three times as much unedited programming as the TPT studio, or about twice as much edited programming.

We recommend four new access centers in Manhattan during the next year. Potential sites include: Lower Manhattan (Chinatown); the West Side (80s and 90s); the Chelsea area; the East Side (60s and 70s), and the Lower East Side. Up to $100,000 could be profitably spent equipping these centers.

Operating Expenses for the Production Facilities: It is important that each production facility be properly funded. The VAC has been operating on a budget of $25,000 per year. Although exact figures are not available for the TPT studio, its expenses run on the order of $45,000 per year. One of the reasons the VAC has had so much trouble is that it is the only such center in town, and therefore overused. If four more centers existed, we believe each could operate on a $25,000 budget. Up to $150,000 could be spent on operating expenses for production facilities, $50,000 for the VAC and the Inwood-Washington Heights center, and $25,000 each for four new centers.

Tape: Even though a half hour of tape costs less than $12.00, tape is often the bottleneck in production. A stock of 1,000 hours of tape (approximately $25,000) would insure that no one would be held up by lack of tape. A tape bank could be established with users given the option of returning the tape or buying it. The initial stock could be maintained with a restocking cost of no more than $3,000-4,000 per year.

Viewing Centers: As a minimum, each of the twenty subdistricts in Manhattan should have a viewing center. It is hard to say how much each should cost: we recommend that many different modes be tried, from Police stations to coffee shops. We estimate that centers will cost no more than $2,000 to equip with chairs and TV sets. Thus $40,000 should be sufficient.

Operating Expenses for Viewing Centers: Operating expenses could vary from zero--for a police station or a coffee shop--to a considerable sum for a store-front center. Again we recommend a variety of modes, and would allocate an average center $2,000 per year, or an additional $40,000 total.

Promotion. Millions could be spent to promote public access. We recommend that $50,000 be spent, because other items are of higher priority, and a creditable job could be done with that amount.

Direct Programming Support. This report opposes massive direct programming support. Some money will be spent on such support, but we recommend no more than $25,000.

This recommended "budget" of $430,000, could be funded as follows:

--$80,000 from the City of New York (1 per cent of franchise fee);

--$100,000 from other Federal, state and local government agencies;

--$100,000 from the cable operators;

--$140,000 from foundations.

--$ 10,000 from the public.

These figures represent a slight increase in total government funding, a decrease of about 50 per cent in foudnation funding, and a constant cable operator funding level.

Ultimately much of this funding should come directly from the viewing public. PA groups should begin experimenting now with alternative means of developing direct public support.

How Should the Funding be Administered?

The above sections detail a proposed "budget" and source of funds for the next year of public access. They do not, however, detail how that money should be administered. Many have argued that New York needs some sort of organization or institution to structure public access. This organization would solicit and distribute funding, publicize PA, act as an ombudsman, and promote channel usage generally. Although there can be no argument that these ends are laudable, there is no obvious structure--government run, operator run, or user run--that could perform these functions fairly and effectively. Public access is nothing if it is not freely open to anyone who wants to use it. There should be therefore, a minimum bureaucracy between the potential user and the cable itself. We would favor the creation of a "structure" for PA only if it in no way interfered with any individual or group's ability to use public access.

It is interesting to note that public access as an institution has been developed by unorganized, grass roots people, from the bottom up. The major community and non-profit organizations, which will probably use public access heavily in the future, have not yet developed as major users. Procedures through which these organizations can be brought into public access certainly need to be developed, but not at the expense of the current users: spontaneous unpredictable use by unknown individuals and groups is one of PA's major strengths, and no intermediary institutions should be imposed which might stifle that spontaneity.

D. Program Quality.

Cable operators should expend a great deal more care in the transmission of public access materials than they currently do. Technical standards for equipment in the cable operator's head end (play-back equipment, and the equipment that transmits the signal over the cable network) should be established and enforced by the Office of Telecommunications. These criteria should be publicly posted.

We also recommend that company records be kept of incoming tape quality to determine whether bad transmission is the fault of the producer or the operator. These records should be open to public inspection, and an existing commercial house should offer independent testing for a small fee.

E. Program Information

One recommendation of the 1971 Report was that there be no dead time on the public access channels. The report suggested that available educational and entertainment tapes fill unused time, along with information about public access programming. Use of the channels has now increased dramatically, so there is no need to run canned tapes. It is essential, however, to provide additional program information. At present SM provides such information, TPT less. When no program is on Channel C or D on TPT, the viewer is faced with a logo reading "Public Access Channel 'C'" or 'D'. There is no indication of what public access is, when the next program will appear, or what it will be, although some programs were listed (by producer, not title) in the overall program guide, Channel F. TPT's Channel F Program guide was recently discontinued, however. When no program is on Channel C or D at SM, a "video typewriter" message indicates what public access is, the schedule for the day (including producer and a brief description of each program), and the time it

will be shown. The text of a typical day's message follows:

> The public channels are for use by the public. They offer you a direct means of communicating via TV without charge. If you have something to say and would like it to be on the channel, contact the Sterling Manhattan-NYU Access Center at 528 La Guardia Place, 598-3586. The Center provides free training, equipment, tapes and editing facilities for the production of half inch video tape. Use of the equipment is restricted to those living within the Sterling Franchise area.
>
> All the groups listed below have half inch equipment and can help you produce half inch video tapes. Their policies differ so please call them for information.
>
> (There follows a list of major video groups.)
>
> Please stand by for the schedule of today's programs.

Public Channel C

12:00-12:15	Museum of Modern Art
2:30-4:30	Alternate Media Center; One to One: One retarded person with a friend for an entire day in a magic environment. The day was Wednesday, August 30, 1972, an environment materialized in Central Park, Sheep's Meadow. Produced by a member of the Post TV Workshop at NYU School of the Arts
7:00- 7:30	Open Channel
7:30- 8:00	Spotlight on Block Associations
9:00- 9:30	Lincoln Square Community Council Hotel Tenant Harrassment: Hotel residents tell how they formed the hotel tenants' coalition to fight for changes and enforcement of regulations governing the homes in which they live. For further information call 787-6970.
9:30-10:00	Let's Get High with Frank and Guy, presented by the National Organization for the Reform of Marijuana Laws.

TPT occasionally lists Channels C and D programs under its time-weather display. It should run a PA program guide similar to Sterling's. The machine that generates such a message, an alpha numeric character generator, costs approximately $2,500. Several manufacturers produce such equipment. We also urge both companies to list PA programs on a separate channel during the day, and in the materials sent to subscribers with their bills. We regret SM's decision to eliminate its monthly program guide.

F. Subdistricting and Live Origination

The franchise agreement, in Sections 3(e) and 3(h) provides that: "...within four years...the System be capable of simultaneous delivery of different programming to each (of no less than 10) subdistrict(s) at the same dial location." and "The Company shall undertake any construction and installation...to keep pace with the...state of the art...with respect to ...instituting two-way services..." Section 3(e) also states "The Director (of Franchises) shall approve or modify such plan giving due regard to economic considerations." Technically and financially, however, such subdistricting is feasible only when the subdistricts coincide with the trunk lines of the cable systems.

Two-way amplifiers, which would allow for origination at any point in the system are now available. But live origination of materials--whether to a subdistrict or to the entire system--will be easy only when the cable operators have been relieved of their liability burden. Until the PA channels are common carriers, operators must retain tight control.

Because of its financial situation, SM has stated that it will ask relief from some franchise provisions (specifically those relating to the subdistricts). If this request is made to the Office of Telecommunications, it will put OT in a difficult position. OT must either set a precedent by rescuing a company that bit off more than it could chew, or perhaps force SM into bankruptcy.

It is our opinion that the financial troubles besetting SM are deeper than the issue of subdistricting. Relieving SM of that requirement, therefore, would set a dangerous precedent not offset by any guaranteed benefits.

We recommend, therefore, that:

--Cable operators should provide public access able to transmit live or taped programs from each of the 20 subdistricts to be established. Once this capability exists, cable operators need do no more. By then a variety of equipment facilities should be available, and diversity of control protected.

--The New York Office of Telecommunications and other interested parties act to have the PA channels designated common carriers.

--Sections 3(e) and 3(h) of the Franchise Agreement be read to mean that head ends capable of transmitting programs to a given subdistrict and back to the system head end be established by the operators in each subdistrict.

--In future franchise negotiations the NYOT insist that cable systems in other boroughs be designed so that existing political entities or well-defined neighborhoods be specified as system subdistricts.

* * *

No one has a vested interest in the failure of PA. If PA channels had gone unused, if they had been used only by eccentric fringe groups, or if they had been dominated by a few major users--it would have been because no one knew or cared enough to make PA a success. The first two years have demonstrated that there is no lack of knowledge or caring.

APPENDIX I.

SUMMARY OF THE 1971 ACCESS REPORT

From June through October 1971, the Center for the Analysis of Public Issues conducted a project on the public access channels of the cable system in New York City. The purpose of the project was "to analyze and, if possible, to determine in the light of direct experience what might be done to encourage the development and use in New York City of public access television..." Four major areas were included:

Education: Since most people had no idea what public access was, the Center canvassed more than 75 organizations which were potential access users to inform them of the availability of the channels; a newsletter was distributed to over 3,000 groups and individuals in Manhattan; and the Center helped finance a day-long televised celebration on July 1, 1971, to mark the opening of the channels.

Research: Such issues as liability and copyright infringement were studied.

Advocacy: The Center submitted draft rules for regulating public access channels to the Bureau of Franchises.

Programming: The Center produced a number of programs to determine costs and problems that would be encountered, and came to the following conclusions:

--The small number of cable subscribers poses a major threat because it limits the audience for public access programming.

--Efforts to make the public aware of PA's potential are frustrated by the tendency to consider TV a passive medium.

APPENDIX I.

--The portable production equipment available is of poor quality and costly to maintain.

--Free channel time is not enough; some additional funding efforts must be developed.

--Bonding of public access users to protect liability suits does not appear to be feasible.

--Production of programs, while not easy, is feasible and should pose no problems.

--Generalizing from New York to other cities is dangerous because of the great abundance of interests, skills and media sophistication in New York.

The Center made the following recommendations:

--The City should become more active in such issues as:

- Requiring compatibility of equipment between systems;
- Encouraging public access and City usage of the channels;
- Enforcing such aspects of the franchise as subdistricting;
- Encouraging more cooperation between the two Manhattan operators.

--All cable companies should be required to provide some free production and studio for public access.

--The FCC should not pre-empt public access regulation from local governments.

--Foundations should provide some funding to ensure the survival of public access.

APPENDIX II

Regulations affecting public access in New York City

- Sub Part G - "Cablecasting" - Federal Communications Commission Report and Order, March 1972.

- Sterling-Manhattan's regulations for public access channel usage in New York.

- TelePrompTer's regulations for public access usage throughout its systems.

BEST COPY AVAILABLE

Subpart G—Cablecasting

§ 76.201 Origination cablecasting in conjunction with carriage of broadcast signals.

(a) No cable television system having 3,500 or more subscribers shall carry the signal of any television broadcast station unless the system also operates to a significant extent as a local outlet by origination cablecasting and has available facilities for local production and presentation of programs other than automated services. Such origination cablecasting shall be limited to one or more designated channels which may be used for no other purpose.

(b) No cable television system located outside of all major television markets shall enter into any contract, arrangement, or lease for use of its cablecasting facilities which prevents or inhibits the use of such facilities for a substantial portion of time (including the time period 6–11 p.m.) for local programing designed to inform the public on controversial issues of public importance.

(c) No cable television system shall carry the signal of any television broadcast station if the system engages in origination cablecasting, either voluntarily or pursuant to paragraph (a) of this section, unless such cablecasting is conducted in accordance with the provisions of §§ 76.205, 76.209, 76.213, 76.215, 76.217, 76.221, and 76.225.

§ 76.205 Origination cablecasts by candidates for public office.

(a) *General requirements.* If a cable television system shall permit any legally qualified candidate for public office to use its origination channel(s) and facilities therefor, it shall afford equal opportunities to all other such candidates for that office: *Provided, however,* That such system shall have no power of censorship over the material cablecast of any such candidate; *And provided, further,* That an appearance by a legally qualified candidate on any:

(1) Bona fide newscast,

(2) Bona fide news interview,

(3) Bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary), or

(4) On-the-spot coverage of bona fide news events (including but not limited to political conventions and activities incidental thereto),

shall not be deemed to be use of the facilities of the system within the meaning of this paragraph.

NOTE: The fairness doctrine is applicable to these exempt categories. See § 76.209.

(b) *Rates and practices.* (1) The rates, if any, charged all such candidates for the same office shall be uniform, shall not be rebated by any means direct or indirect, and shall not exceed the charges made for comparable origination use of such facilities for other purposes.

(2) In making facilities available to candidates for public office no cable television system shall make any discrimination between candidates in charges, practices, regulations, facilities, or services for or in connection with the service rendered, or make or give any preference to any candidate for public office or subject any such candidate to any prejudice or disadvantage; nor shall any cable television system make any contract or other agreement which shall have the effect of permitting any legally qualified candidate for any public office to cablecast to the exclusion of other legally qualified candidates for the same public office.

(c) *Records, inspections.* Every cable television system shall keep and permit public inspection of a complete record of all requests for origination cablecasting time made by or on behalf of candidates for public office, together with an appropriate notation showing the disposition made by the system of such requests, the charges made, if any, and the length and time of cablecast, if the request is granted. Such records shall be retained for a period of 2 years.

(d) *Time of request.* A request for equal opportunities for use of the origination channel(s) must be submitted to the cable television system within one (1) week of the day on which the first prior use, giving rise to the right of equal opportunities, occurred: *Provided, however,* That where a person was not a candidate at the time of such first prior use, he shall submit his request within one (1) week of the first subsequent use after he has become a legally qualified candidate for the office in question.

(e) *Burden of proof.* A candidate requesting such equal opportunities of the cable television system, or complaining of noncompliance to the Commission, shall have the burden of proving that he and his opponent are legally qualified candidates for the same public office.

§ 76.209 Fairness doctrine; personal attacks; political editorials.

(a) A cable television system engaging in origination cablecasting shall afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

NOTE: See public notice, "Applicability of the Fairness Doctrine in the Handling of Controversial Issues of Public Importance," 29 F.R. 10416.

(b) When, during such origination cablecasting, an attack is made upon the honesty, character, integrity, or like personal qualities of an identified person or group, the cable television system shall, within a reasonable time and in no event later than one (1) week after the attack, transmit to the person or group attacked: (1) Notification of the date, time, and identification of the cablecast; (2) a script or tape (or an accurate summary if a script or tape is not available) of the attack; and (3) an offer of a reasonable opportunity to respond over the system's facilities.

(c) The provisions of paragraph (b) of this section shall not be applicable: (1) To attacks on foreign groups or foreign public figures; (2) to personal attacks which are made by legally qualified candidates, their authorized spokesmen, or those associated with them in the campaign, on other such candidates, their authorized spokesmen, or persons associated with the candidates in the campaign; and (3) to bona fide newscasts, bonafide news interviews, and on-the-spot coverage of a bona fide news event (including commentary or analysis contained in the foregoing programs, but the provisions of paragraph (b) of this section shall be applicable to editorials of the cable television system).

(d) Where a cable television system, in an editorial, (1) endorses or (2) opposes a legally qualified candidate or candidates, the system shall, within 24 hours after the editorial, transmit to respectively (i) the other qualified candidate or candidates for the same office, or (ii) the candidate opposed in the editorial, (a) notification of the date, time, and channel of the editorial; (b) a script or tape of the editorial; and (c) an offer of a reasonable opportunity for a candidate or a spokesman of the candidate to respond over the system's facilities: *Provided, however,* That where such editorials are cablecast within 72 hours prior to the day of the election, the system shall comply with the provisions of this paragraph sufficiently far in advance of the broadcast to enable the candidate or drawn or awarded by means of any such lottery, gift enterprise, or scheme, whether said list contains any part or all of such prizes.

(b) The determination whether a particular program comes within the provisions of paragraph (a) of this section depends on the facts of each case. However, the Commission will in any event consider that a program comes within the provisions of paragraph (a) of this section if in connection with such program a prize consisting of money or thing of value is awarded to any person whose selection is dependent in whole or in part upon lot or chance, if as a condition of winning or competing for such prize, such winner or winners are required to furnish any money or thing of value or are required to have in their possession any product sold, manufactured, furnished, or distributed by a sponsor of a program cablecast on the system in question.

§ 76.215 Obscenity.

No cable television system when engaged in origination cablecasting shall transmit or permit to be transmitted on the origination cablecasting channel or channels material that is obscene or indecedent.

§ 76.217 Advertising.

A cable television system engaged in origination cablecast programing may present advertising material at the beginning and conclusion of each such program and at natural intermissions or breaks within a cablecast: *Provided, however,* That the system itself does not interrupt the presentation of program material in order to intersperse advertising: *And provided, further,* That advertising material is not presented on or in connection with origination cablecasting in any other manner.

NOTE: The term "natural intermissions or breaks within a cablecast" means any natural intermission in the program material which is beyond the control of the cable television operator, such as time-out in a sporting event, an intermission in a concert or dramatic performance, a recess in a city council meeting, an intermission in a long motion picture which was present at the time of theatre exhibition, etc.

§ 76.221 Sponsorship identification.

(a) When a cable television system engaged in origination cablecasting presents any matter for which money, services, or other valuable consideration is either directly or indirectly paid or promised to, or charged or received by, such system, the system shall make an announcement that such matter is sponsored, paid for, or furnished, either in whole or in part, and by whom or on whose behalf such consideration was supplied: *Provided, however,* That "service or other valuable consideration" shall not include any service or property furnished without charge or at a nominal charge for use on, or in connection with, such cablecasting unless it is so furnished as consideration for an identification in a cablecast of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property on the cablecast.

(b) Each system engaged in origination cablecasting shall exercise reasonable diligence to obtain from its employees, and from other persons with whom it deals directly in connection with any program matter for origination cablecasting, information to enable it to make the announcement required by this section.

(c) In the case of any political program or any program involving the discussion of public controversial issues for

candidates to have a reasonable opportunity to prepare a response and to present it in a timely fashion.

§ 76.213 Lotteries.

(a) No cable television system, when engaged in origination cablecasting shall transmit or permit to be transmitted on the origination cablecasting channel or channels any advertisement of or information concerning any lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in part upon lot or chance, or any list of the prizes which any films, records, transcriptions, talent, script, or other material or services of any kind are furnished, either directly or indirectly, to a cable television system as an inducement to the origination cablecasting of such program, an announcement to this effect shall be made at the beginning and conclusion of such program: *Provided, however,* That only one such announcement need be made in the case of any such program of five (5) minutes' duration or less, either at the beginning or conclusion of the program.

(d) The announcements required by this section are waived with respect to feature motion picture films produced initially and primarily for theater exhibition.

§ 76.225 Per-program or per-channel charges for reception of cablecasts.

(a) Origination or access cablecasting operations for which a per-program or per-channel charge is made shall comply with the following requirements:

(1) Feature films shall not be cablecast which have had general release in theaters anywhere in the United States more than two (2) years prior to their cablecast: *Provided, however,* That during 1 week of each calendar month one feature film the general release of which occurred more than ten (10) years previously may be cablecast, and more than a single showing of such film may be made during that week: *Provided, further,* That feature films the general release of which occurred between two (2) and ten (10) years before proposed cablecast may be cablecast upon a convincing showing to the Commission that bona fide attempt has been made to sell the films for conventional television broadcasting and that they have been refused, or that the owner of the broadcast rights to the films will not permit them to be televised on conventional television because he has been unable to work out satisfactory arrangements concerning editing for presentation thereon, or perhaps because he intends never to show them on conventional television since to do so might impair their repetitive box office potential in the future.

Nore: As used in this subparagraph, "general release" means the first-run showing of a feature film in a theatre or theatres in an area, on a nonreserved-seat basis, with continuous performances. For first-run showing of feature films on a nonreserved-seat basis which are not considered to be "general release" for purposes of this subparagraph, see note 86 in Fourth Report and Order in Docket No. 11279, 15 FCC 2d 466.

(2) Sports events shall not be cablecast which have been televised live on a nonsubscription, regular basis in the community during the two (2) years preceding their proposed cablecast: *Provided, however,* That if the last regular occurrence of a specific event (e.g., summer Olympic games) was more than two (2) years before proposed showing on cable television in a community and the event was at that time televised on conventional television in that community, it shall not be cablecast.

Nore 1: In determining whether a sports event has been televised in a community on a nonsubscription basis, only commercial television broadcast stations which place a Grade A contour over the entire community will be considered. Such stations need not necessarily be licensed to serve that community.

Nore 2: The manner in which this subparagraph will be administered and in which "sports," "sports events," and "televised live on a nonsubscription regular basis" will be construed is explained in paragraphs 288–306 in *Fourth Report and Order in Docket No.* 11279, 15 FCC 2d 466.

(3) No series type of program with interconnected plot or substantially the same cast of principal characters shall be cablecast.

(4) Not more than 90 percent of the total cablecast programing hours shall consist of feature films and sports events combined. The percentage calculations may be made on a yearly basis, but, absent a showing of good cause, the percentage of such programing hours may not exceed 95 percent of the total cablecast programing hours in any calendar month.

(5) No commercial advertising announcements shall be carried on such channels during such operations except, before and after such programs, for promotion of other programs for which a per-program or per-channel charge is made.

§ 76.251 Minimum channel capacity; access channels.

(a) No cable television system operating in a community located in whole or in part within a major television market, as defined in § 76.5, shall carry the signal of any television broadcast station unless the system also complies with the following requirements concerning the availability and administration of access channels:

(1) *Minimum channel capacity.* Each such system shall have at least 120 MHz of bandwidth (the equivalent of 20 television broadcast channels) available for immediate or potential use for the totality of cable services to be offered;

(2) *Equivalent amount of bandwidth.* For each Class I cable channel that is utilized, such system shall provide an additional channel, 6 MHz in width, suitable for transmission of Class II or Class III signals (see § 76.5 for cable channel definitions);

(3) *Two-way communications.* Each such system shall maintain a plant having technical capacity for nonvoice return communications;

(4) *Public access channel.* Each such system shall maintain at least one specially designated, noncommercial public access channel available on a first-come, nondiscriminatory basis. The system shall maintain and have available for public use at least the minimal equipment and facilities necessary for the production of programing for such a channel. See also § 76.201;

(5) *Education access channel.* Each such system shall maintain at least one specially designated channel for use by local educational authorities;

(6) *Local government access channel.* Each such system shall maintain at least one specially designated channel for local government uses;

(7) *Leased access channels.* Having satisfied the origination cablecasting requirements of § 76.201, and the requirements of subparagraphs (4), (5), and (6) of this paragraph for specially designated access channels, such system shall offer other portions of its nonbroadcast bandwidth, including unused portions of the specially designated channels, for leased access services. However, these leased channel operations shall be undertaken with the express understanding that they are subject to displacement if there is a demand to use the channels for their specially designated purposes. On at least one of the leased channels, priority shall be given part-time users;

(8) *Expansion of access channel capacity.* Whenever all of the channels described in subparagraphs (4) through (7) of this paragraph are in use during 80 percent of the weekdays (Monday–Friday) for 80 percent of the time during *any consecutive 3-hour period for 6* consecutive weeks, such system shall have 6 months in which to make a new channel available for any or all of the above-described purposes;

(9) *Program content control.* Each such system shall exercise no control over program content on any of the channels described in subparagraphs (4) through (7) of this paragraph; however, this limitation shall not prevent it from taking appropriate steps to insure compliance with the operating rules described in subparagraph (11) of this paragraph;

(10) *Assessment of costs.* (i) From the commencement of cable television service in the community of such system until five (5) years after completion of the system's basic trunk line, the channels described in subparagraphs (5) and (6) of this paragraph shall be made available without charge.

(ii) One of the public access channels described in subparagraph (4) of this paragraph shall always be made available without charge, except that production costs may be assessed for live studio presentations exceeding 5 minutes. Such production costs and any fees for use of other public access channels shall be consistent with the goal of affording the public a low-cost means of television access;

(11) *Operating rules.* (i) For the public access channel(s), such system shall establish rules requiring first-come nondiscriminatory access; prohibiting the presentation of: Any advertising material designed to promote the sale of commercial products or services (including advertising by or on behalf of candidates for public office); lottery information; and obscene or indecent matter (modeled after the prohibitions in §§ 76.213 and 76.215, respectively); and permitting public inspection of a complete record of the names and addresses of all persons or groups requesting access time. Such a record shall be retained for a period of 2 years.

(ii) For the educational access channel(s), such system shall establish rules prohibiting the presentation of: Any advertising material designed to promote the sale of commercial products or services (including advertising by or on behalf of candidates for public office); lottery information; and obscene or indecent matter (modeled after the prohibitions in §§ 76.213 and 76.215, respectively) and permitting public inspection of a complete record of the names and addresses of all persons or groups requesting access time. Such a record shall be retained for a period of 2 years.

(iii) For the leased channel(s), such system shall establish rules requiring first-come, nondiscriminatory access; prohibiting the presentation of lottery information and obscene or indecent matter (modeled after the prohibitions in §§ 76.213 and 76.215, respectively); requiring sponsorship identification (see § 76.221); specifying an appropriate rate schedule and permitting public inspection of a complete record of the names and addresses of all persons or groups requesting time. Such a record shall be retained for a period of 2 years.

(iv) The operating rules governing public access, educational, and leased channels shall be filed with the Commission within 90 days after a system first activates any such channels, and shall be

available for public inspection at the system's offices. Except on specific authorization, or with respect to the operation of the local government access channel, no local entity shall prescribe any other rules concerning the number or manner of operation of access channels; however, franchise specifications concerning the number of such channels for systems in operation prior to March 31, 1972, shall continue in effect.

(b) No cable television system operating in a community located wholly outside of all major television markets shall be required by a local entity to exceed the provisions concerning the availability and administration of access channels contained in paragraph (a) of this section. If a system provides any access programming, it shall comply with paragraphs (a) (9), (10), and (11) of this section.

(c) The provisions of this section shall apply to all cable television systems that commence operations on or after March 31, 1972, in a community located in whole or in part within a major television market. Systems that commenced operations prior to March 31, 1972, shall comply on or before March 31, 1977: *Provided, however,* That, if such systems begin to provide any of the access services described above at an earlier date, they shall comply with paragraph (a) (9), (10), and (11) of this section at that time. *And provided, further,* That if such systems receive certificates of compliance to add television signals to their operations at an earlier date, they shall comply with paragraph (a) (4) through (11) of this section at the time of such addition.

Subpart H—General Operating Requirements

§ 76.301 Copies of rules.

The operator of a cable television system shall have a current copy of Part 76, and is expected to be familiar with the rules governing cable television systems. Copies of the Commission's rules may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402, at nominal cost.

§ 76.305 Logging and recordkeeping requirements.

(a) *Carriage of certain television signals.* (1) A cable television system operating in a community located in whole or in part within a major television market shall keep and permit public inspection of a record of all television signals carried pursuant to §§ 76.61 (b), (c), (d), or (e) or 76.63(a) (as it refers to § 76.61 (b), (c), (d), or (e)). Such record shall include the call letters and location of each such station whose signals are carried, the date and specific starting and ending time of such carriage, and the names of the programs scheduled to be shown. This record shall be retained for a period of 2 years.

(2) This paragraph shall be applicable only to television signals whose carriage commenced on or after March 31, 1972.

(b) *Origination cablecasts by candidates for public office.* See § 76.205(c).

(c) *Public access channels.* See § 76.251 (a) (11).

(d) *Educational access channels.* See § 76.251(a) (11).

(e) *Leased access channels.* See § 76.251(a) (11).

Subpart I—Forms and Reports

§ 76.401 Annual report of cable television systems.

An "Annual Report of Cable Television Systems" (FCC Form 325) shall be filed with the Commission for each cable television system, as defined in § 76.5, on or before March 1 of each year, for the preceding calendar year.

§ 76.405 Cable television annual financial report.

A "Cable Television Annual Financial Report" (FCC Form 326) shall be filed with the Commission for each cable television system, as defined in § 76.5, on or before April 1 of each year, for the preceding calendar year: *Provided, however,* That a cable television system which commences operations prior to December 1, 1971, may report on a fiscal year basis, in which case Form 326 shall be filed annually no more than ninety (90) days after the close of the system's fiscal year.

§ 76.406 Computation of cable television annual fee.

A "Computation of Cable Television Annual Fee" (FCC Form 326–A) shall be filed with the Commission for each cable television system, as defined in § 76.5, on or before April 1 of each year, for the preceding calendar year, to accompany payment of the cable television annual fee. See §§ 1.1101 and 1.1116.

Subpart J—Diversification of Control

§ 76.501 Cross-ownership.

(a) No cable television system (including all parties under common control) shall carry the signal of any television broadcast station if such system directly or indirectly owns, operates, controls, or has an interest in:

(1) A national television network (such as ABC, CBS, or NBC); or

(2) A television broadcast station whose predicted Grade B contour, computed in accordance with § 73.684 of this chapter, overlaps in whole or in part the service area of such system (i.e., the area within which the system is serving subscribers); or

(3) A television translator station licensed to the community of such system.

NOTE 1: The word "control" as used herein is not limited to majority stock ownership, but includes actual working control in whatever manner exercised.

NOTE 2: The word "interest" as used herein includes, in the case of corporations, common officers or directors, and partial (as well as total) ownership interests represented by ownership of voting stock.

NOTE 3: In applying the provisions of paragraph (a) of this section to the stockholders of a corporation which has more than 50 stockholders:

(a) Only those stockholders need be considered who are officers or directors or who directly or indirectly own 1 percent or more of the outstanding voting stock.

(b) Stock ownership by an investment company as defined in 15 U.S.C. section 80a–3 (commonly called a mutual fund) need be considered only if it directly or indirectly owns 3 percent or more of the outstanding voting stock or if officers or directors of the corporation are representatives of the investment company. Holdings by investment companies under common management shall be aggregated. If an investment company directly or indirectly owns voting stock in an intermediate company which in turn directly or indirectly owns 50 percent or more of the voting stock of the corporation, the investment company shall be considered to own the same percentage of outstanding shares of such corporation as it owns of the intermediate company: *Provided, however,* That the holding of the investment company need not be considered where the intermediate company owns less than 50 percent of the voting stock, but officers or directors of the corporation who are representatives of the intermediate company shall be deemed to be representatives of the investment company.

(c) In cases where record and beneficial ownership of voting stock is not identical (e.g., bank nominees holding stock as record owners for the benefit of mutual funds, brokerage houses holding stock in street name for the benefit of customers, trusts holding stock as record owners for the benefit of designated parties), the party having the right to determine how the stock will be voted will be considered to own it for the purposes of this section.

(b) The provisions of paragraph (a) of this section are not effective until August 10, 1973, as to ownership interests proscribed herein if such interests were in existence on or before July 1, 1970 (e.g., if a franchise were in existence on or before July 1, 1970): *Provided, however,* That the provisions of paragraph (a) of this section are effective on August 10, 1970, as to such interests acquired after July 1, 1970.

Subpart K—Technical Standards

§ 76.601 Performance tests.

(a) The operator of each cable television system shall be responsible for insuring that each such system is designed, installed, and operated in a manner that fully complies with the provisions of this subpart. Each system operator shall be prepared to show, on request by an authorized representative of the Commission, that the system does, in fact, comply with the rules.

(b) The operator of each cable television system shall maintain at its local office a current listing of the cable television channels which that system delivers to its subscribers and the station or stations whose signals are delivered on each Class I cable television channel, and shall specify for each subscriber the minimum visual signal level it maintains on each Class I cable television channel under normal operating conditions.

(c) The operator of each cable television system shall conduct complete performance tests of that system at least once each calendar year (at intervals not to exceed 14 months) and shall maintain the resulting test data on file at the system's local office for at least five (5) years. It shall be made available for inspection by the Commission on request. The performance tests shall be directed at determining the extent to which the system complies with all the technical standards set forth in § 76.605. The tests shall be made on each Class I cable television channel specified pursuant to paragraph (b) of this section, and shall include measurements made at no less than three widely separated points in the system, at least one of which is representative of terminals most distant from the system input in terms of cable distance. The measurements may be taken at convenient monitoring points in the cable network: *Provided,* That data shall be included to relate the measured performance to the system performance as would be viewed from a nearby subscriber terminal. A description of intruments and procedure and a statement of the qualifications of the person performing the tests shall be included.

(d) Successful completion of the performance tests required by paragraph (c) of this section does not relieve the system of the obligation to comply with all pertinent technical standards at all subscriber terminals. Additional tests, repeat tests, or tests involving specified subscriber terminals may be required by the Commission in order to secure compliance with the technical standards.

BEST COPY AVAILABLE

STERLING MANHATTAN CABLE TELEVISION INC.
120 EAST 23 'D STREET, N.Y. 10010 (212) 260-3900

STERLING MANHATTAN CABLE TELEVISION, INC.
(hereinafter "Sterling")

ACCESS CHANNELS - OPERATING RULES

PUBLIC ACCESS CHANNELS

1. In every instance, applications for time on all public access channels will be granted on a first-come, first-served non-discriminatory basis, except as hereafter indicated.

2. Every applicant seeking the use of channel space on a public access channel must fill out and file with Sterling an application requesting such use. The application must contain the following information: (a) the name, address and telephone number of the individual or organization making the request; (b) if an organization or corporation makes an application, the name, address and telephone number of its President or Chief Executive Officer; (c) the dates and hours requested; (d) the length of each program; (e) the type of tape or film to be used; and (f) whether the individual requesting time or anyone appearing on the program will be under the age of 21. Sterling reserves the right to refuse tape or film if not compatible without further modification with existent equipment and studio or production facilities (beyond those required under current regulatory requirements) if in Sterling's judgement these facilities are not currently available.

3. Applications for time on Channel C must be filed with Sterling at least ten (10) days before the requested date. Also,

a public access user requesting time on Channel C may use no more than two cumulative hours per week of prime time (7 P.M. - 11 P.M.) and no more than seven (7) hours per week of prime and non-prime time unless there are no other conflicting requests for the desired prime or non-prime time. A public access user may not reserve time periods for a given program for more than sixty (60) days after the program's initial cablecast without renewing the application. This renewal application must be filed no more than twenty-one (21) days nor less than ten (10) days prior to user's last scheduled cablecast during user's currently effective application.

4. Applications for time on Channel D must be submitted at least twenty-four (24) hours prior to the requested date. A public access user requesting time on Channel D may not make advanced reservations of the same time period more than once per month.

5. Up to one (1) day prior to the time period requested, public access users who have used five (5) hours or more on each or both public channels within the previous month may be subject to scheduling displacement by less frequent public access users, regardless of the time of their applications.

6. Applications and assigned time periods are not assignable or transferrable.

7. At the time the application for the use of a public access channel is filed with Sterling, the public access user must execute and file with Sterling the Public Channel User Contract.

8. (a) At least twenty-four (24) hours in advance of the time scheduled for presentation of the Applicant's program material, or by 12 Noon on Friday for programming scheduled for the immediately following Saturday, Sunday or Monday, Applicant shall submit to Sterling for its approval (1) in the case of a live presentation, the script or outline of the program for presentation or (2) in the case of a recorded presentation, a recording of the presentation (tape, film, slides or otherwise). If Applicant as a part of its programming plans to use copyrighted musical material, Applicant at this time must also furnish proof of clearance to include the title of the music to be used, the name of the composer(s), the licensing agent for performance rights and documents adequate in Sterling's judgement authorizing performance. If Applicant plans to use non-musical copyrighted material, Applicant at the time of submission of program material must furnish the name of the author, the copyright owner and documents adequate in Sterling's judgement authorizing performance.

(b) Sterling reserves the right to refuse to carry any program or presentation, or portion thereof, which does not

in Sterling reasonable judgement comply with the provisions of paragraphs 13, 14 and 15 of these Rules, or for which in Sterling's reasonable judgement adequate copyright clearances have not been obtained.

9. In the event of possible schedule conflicts, Sterling will resolve all disputes in favor of the party filing the first application. In the event two or more parties have applied for the same time period and both filed their applications at the same time, the party requesting the shorter time period will be given priority, with the other party following in the first free acceptable period.

10. Studio and production facilities of the Sterling-NYU Video Access Center located at 528-530 LaGuardia Place, New York, New York are available to public access users. If the public access user wishes to use such facilities, he should notify the Video Access Center as long as possible before the intended utilization. Currently effective charges, if any, for the utilization of studio and production facilities and channel utilization are available both at Sterling's main office and at the Sterling-NYU Video Access Center. Sterling reserves the right to designate other studio and production facilities within its franchised area.

11. Public access users who choose to produce their own programming and wish to use their own facilities must consult with

Sterling at least one (1) week before the requested programming date to determine whether their tape or film is compatible with existent Company equipment to enable the Company without obtaining any additional equipment to transmit their programming.

12. No minor under 21 years of age shall be permitted use of the Company's facilities unless accompanied by an adult who shall assume all legal responsiblility for the program and the actions of the minor and shall be responsible for executing the Company's Public User Contract and obtaining whatever permits may be required authorizing the appearance of the minor.

13. The public access user is prohibited from presenting in the program any material designed to promote the sale of commercial products or services. This prohibition includes advertising by or on behalf of candidates for public office.

14. (a) The public access user is prohibited from presenting any advertisements of or information concerning any lottery, gift enterprise, or similar scheme, offering prizes depending in whole or in part upon lot or chance, or any list of the prizes drawn or awared by means of any such lottery, gift enterprise or scheme, whether said list contains any part or all of such prizes.

(b) If in connection with a program a prize consisting of money or thing of value is awarded to any person whose

selection is dependent in whole or in part upon lot or chance, or if as a condition of winning or competing for such a prize, such winner or winners are required to furnish any money or thing of value or are required to have in their possession any product sold, manufactured, furnished or distributed by a sponsor of a program cablecast on a Sterling channel, then such program comes within the provisions of this section.

15. The public access user is prohibited from presenting any material that is obscene or indecent.

16. Public access users are hereby notified that the prohibitions contained in paragraphs 13, 14 and 15 of these Rules are also expressly prohibited by Chapter 1, Title 47 of the Code of Federal Regulations (Cable Television Service), Sections 76.251 (a) (11) (i), 76.213 and 76.215, respectively.

17. A complete record of the names and addresses of all persons or groups requesting public access time shall be maintained by Sterling at its central office, and public inspection of that record will be permitted. That record will be retained for a period of two (2) years from the date the application is filed.

18. Failure to comply with any of these Rules shall subject the public access user to such sanctions as Sterling deems appropriate to insure operation of the public access channels in

accordance with all applicable governmental regulations and to protect itself from liability.

19. The Company is maintaining its public access channels pursuant to the requirements of Chapter 1, Title 47 of the Code of Federal Regulations (Cable Television Service) Section 76.251. The Company therefore disclaims all responsibility for any and all materials cablecast on such channels by public access users. All Rules contained herein are subject to change without further notice other than that necessary, if any, to comply with applicable governmental regulation.

STERLING MANHATTAN CABLE TELEVISION INC.
120 EAST 23RD STREET, N.Y. 10010 (212) 260-3900

PUBLIC CHANNEL USER CONTRACT

1. Applicant executes this Agreement as consideration for using Sterling Manhattan Cable Television,Inc.'s (hereinafter "Sterling") public access cable television channels.

2. Applicant has read the rules and regulations of the Company concerning public access cable television and agrees to abide by these rules and regulations.

3. Applicant represents to Sterling that it has all the rights and clearances necessary to transmit over Sterling's facilities all of Applicant's programming without any liability accruing to Sterling; and, further, will indemnify Sterling and/or any other cable television system over which Applicant's material is transmitted in connection with origination or carriage on Sterling's facilities or their respective officers, directors, agents and employees from all claims, damages, costs and other liabilities of any nature, including attorneys' fees, which might arise out of the carriage of any programming material supplied by Applicant or might be imposed due to a claim that any of Applicant's material violates or infringes upon the rights, trade names, trade marks, copyrights, patents or literary or dramatic rights of any owner, licensor, copyright holder or any writer, composer or other

person, corporation, partnership or entity or that said material constitutes libel or slander.

4. Applicant, as soon as it learns of a claim or a legal action against Sterling, will immediately notify Sterling of this claim or action and will defend all actions to which its indemnity applies and conduct this defense through its own attorney at its own expense. Sterling shall have the right to participate in this defense at Applicant's expense and to use its own attorney, and in this event the Applicant agrees that it will direct its attorney to cooperate with Sterling.

5. Applicant individually and, if applicable, on behalf of all members of the organization of which Applicant is a member claims and demands, including any claim which arises as a result of Applicant's or, if applicable, Applicant's organization's appearance on Sterling's public channels or the production of any material in connection with this appearance that Applicant or its organization ever had, has or may have against Sterling.

6. If Sterling shall fail to carry on its cable television system all or any part of the Applicant's program material at the specified time because of (1) a defect or breakdown of lines or equipment, (2) a labor dispute, (3) any governmental action, or (4) any cause beyond the control of the Company, such failure shall

not constitute a breach of this agreement by Sterling.

7. In the event that the Applicant has contracted for use of the public access channel, Sterling's liability for failure to carry the Applicant's programming for any of the above-mentioned reasons shall be limited to a proportionate refund to the Applicant of moneys, if any paid by the Applicant to Sterling pursuant to the public channel rate schedule.

8. Sterling's responsibility for loss or damage to User's tapes and/or films while in Sterling's possession (reasonable wear and tear excepted), is limited solely to the replacement cost of new unexposed tape or film to replace an equal physical amount of tape or film previously furnished by Applicant to Sterling.

BY:_____

STERLING MANHATTAN CABLE
TELEVISION, INC.

DATED:_____

BY:_____

OPERATING RULES FOR PUBLIC ACCESS CHANNELS

1. The term "public access channel" as used in these operating rules means a specially designated non-commercial channel available on a first come, non-discriminatory basis in accordance with the rules of the Federal Communications Commission, 47 C.F.R. Sec. 76.251 (a)(4).

Such channel is intended to increase opportunities for community expression and "offer a practical opportunity to participate in community dialogue through a mass medium".

2. Time shall be allocated on a first come, non-discriminatory basis. Whenever requests for time exceed availability, the following rules shall apply:

(a) First time users shall have priority over regular users.

(b) A previous user who has not been scheduled in prime time (6-11 p.m.) shall have priority for prime time scheduling.

(c) A priority will be given to users from the geographical area which the cable system serves.

(d) Some time slots may be allocated to regularly scheduled public users so long as ample time remains available for spontaneous unscheduled community expression.

(e) All disputes arising over the allocation of public access time shall be resolved by a Citizens Committee for Public Access in a manner which maximizes diversity of expression.

3. Use of public access time must be for non-commercial purposes. (Commercial Material may be cablecast on Leased Access Time). Non-commercial purposes exclude use of the following:

(a) Advertising Messages (including messages by or on behalf of a political candidate).

(b) Material the primary purpose of which is to promote a service, product, trade or business..

(c) Program material made available without charge by persons, corporations or institutions who have a profit oriented interest in the subject matter of the program. This

shall not prevent the identification by name only of persons or institutions providing grants or aid to groups producing programming unrelated to the commercial interests of the donor.

(d) Material which identifies any product, service, trademark or brand name in a manner which is not reasonably related to the non-commercial use of such product, service, trademark or brand name on the program.

4. [illegible] users of public access time assume complete responsibility for the content of programming offered for cablecast. Any disputes which arise concerning the programming shall be resolved between the user and the complaining party. The Company undertakes no responsibility to the user for any legal liabilities which may arise as a consequence of the cablecast, and users, by virtue of their use of the public access channel, agree to indemnify and hold the Company harmless for all liability of any kind whatsoever, including costs of legal defense arising from the use of the Channel by the user. Users are cautioned, therefore, to be aware of applicable state and federal law.

5. Any subject matter may be programmed. However, public access time may not be used for illegal purposes. The following are examples of types of illegal programming which may be prohibited by applicable federal or state laws:

(a) Cablecasting information concerning any lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in part upon lot or chance, or any list of the prizes drawn or awarded by means of any such lottery, gift enterprise, or scheme, whether said list contains any part or all of such prizes. (Violation of this rule may subject a user to criminal liability under federal law, Title 18 U.S.C. Sec. 1304). A program comes within this prohibition if in connection with such program a prize consisting of money or thing of value is awarded to any person whose selection is dependent in whole or part upon lot or chance, if as a condition of winning or competing for such prize, such winner or winners are required to furnish any money or thing of value or are required to have in their possession any product sold, manufactured, furnished or distributed by a sponsor of a program cablecast on the system in question.

(b) Any material which is intended to defraud the viewer or designed to obtain money by false or fraudulent pretenses, representations, or promises. (Violation of this rule may subject the user to criminal liability under federal law, Title 18 U.S.C. Sec. 1343).

(c) Indecent or obscene matter. (Violation of this rule may subject the user to criminal liability under federal law, Title 18 U.S.C. Sec. 1464).

6. All videotapes of programs or scripts of programs to be cablecast live (except on the spot coverage of bonafide newsworthy events, and live, spontaneous, unrehearsed, unscripted performances in the Company's public access studio during hours set aside for such purpose) shall be submitted to the Company's Public Access Director at least 72 hours before scheduled to be cablecast so that there will be an opportunity for review for illegal content and technical quality. Except with respect to questions of obscenity, indecency and technical quality, the judgment of the Public Access Director shall be final with respect to the particular scheduled program.

7. Any user who questions the judgment of the Public Access Director on matters of technical quality or obscene or indecent subject matter may submit the script or videotape for review by the Citizens Committee for Public Access, a committee consisting of a representative group of subscribers from the geographical area served by the cable system. If, by a majority vote of the total membership, such committee recommends that the material be cablecast, it shall be transmitted over the system as soon thereafter as feasible. When cablecast such material shall be accompanied by an audio and/or video announcement as follows:

(a) In the case of allegedly obscene or indecent matter:

"This program has been reviewed by the Citizens Committee for Public Access, a representative group of subscribers, and certified to meet the contemporary community standards and to have redeeming social value. However, the program may offend the sensibilities of some viewers and may not be appropriate for children."

(b) In the case of poor technical quality:

"The viewer may find the technical quality of some portions of the following program unsatisfactory. However, the Citizens Committee for Public Access, a representative group of subscribers, recommends that the substance has merit which overrides technical considerations."

8. Time obtained on behalf of a user may be assigned or transferred to another party, if no other user is inconvenienced and the permission of the Public Access Director is obtained.

9. No charge will be made for costs incurred in the studio presentations of five minutes or less. However, the Company reserves the right in its discretion to charge the user for actual costs of material, labor, and use of equipment for segments in excess of five minutes.

10. An application for program time should be made at least two weeks prior to the date requested, in the form provided by the Company. Such forms shall provide for the name, address and telephone number of the user, and, if an organization, its authorized agent, the requested time, the length of the program proposed, the purpose of the program, the subject matter of the program, the number and names of persons to appear on the program (including the ages of minors), the titles of copyrighted works and names of authors or composers whose coprighted works are to be used and documentation indicating that clearance from the copyright owner and/or licensing agent has been obtained authorizing the performance, the type of video tape being supplied for cablecast, and/or the requirements for equipment and studio facilities in order to produce the proposed program. The Company may, in its discretion, waive any of these requirements, except the name and address of users, in circumstances for which the nature of the cablecast warrants such waiver, i.e. on the spot coverage of bonafide newsworthy events and live, spontaneous, unrehearsed, unscripted performance in the Company's public access studio during hours set aside for such purpose.

11. Requests for use of public access time on behalf of minors (as defined by applicable state laws) should be made in the name of a responsible adult. Any such minors using the studio facilities or equipment of the Company shall be accompanied by a responsible adult who shall supervise the use of facilities and equipment and execute the necessary assurances that authorization has been obtained concerning the use of the studio and equipment and/or appearance of any minors on a cablecast program. The adult shall also be responsible for liability resulting from the use or appearance by a minor. The Company may waive these requirements in appropriate circumstances.

12. The names and addresses of all users shall be supplied to the Company's Public Access Director at the time the material to be cablecast is submitted; and in no event later than twenty-four hours prior to the scheduled cablecast (except in the case of live, spontaneous, unscripted, unrehearsed performances in the Company's Public Access studio for which time public users shall sign in prior to cablecast). Such names and addresses together with the name of the program, the date and time of cablecast and a brief description of the program content shall be kept by the Public Access Director in a public file, open during normal business hours to public inspection. The file shall be kept for at least two years from the date of cablecast.

13. Failure to comply with these rules may subject the user to forfeiture of the right to use public access time for a period of time appropriate to the infringement. Any dispute concerning the application of this rule may be referred to the Citizens Committee for Public Access.

The foregoing procedures are acknowledged, and it is agreed to by the undersigned that the foregoing procedures will be complied with.

_____
Signature

_____
Name of Individual (Please Print)

_____
Organization

_____
Address

_____
City Zip

_____
Telephone

APPENDIX III

Hours Cablecast on Public Access, July, 1971-March, 1973

	TPT		SM	
	original hours	total hours	original hours	total hours
July 1971 [1]	6	36	6	6
August	3	20		
September	32	65	15	22
October	36	103	34	58
November	58	127	26	52
December	61	200	51	135
January 1972	55	160	38	123
February	47	200	59	181
March	59	326	84	474
April	40	277	57	194
May	45	255	59	239
June	35	254	47	195
July [2]				
August				
September				
October [3]	189	309	46	229
November	170	355	56	249
December	197	339	93	230
January 1973	197	213	62	225
February	203	393	93	230
March	349	531	170	364
April	370	530	176	364
May	348	424	190	320
June	331	444	186	344

[1] July 1971-June 1972 were prepared from an analysis of the daily PA logs kept by each company.

[2] July, August and September 1972 are unavailable.

[3] October 1972-date are figures supplied by the cable operators. Original hours may include some repeats from previous months.

APPENDIX IV

Two Newspaper Articles about Anton Perich

BEST COPY AVAILABLE

Public Access TV

Unusual airings: 1984 & the Cable

Danny F. was about to put a light bulb coated with vaseline up Sami M.'s ass when my television screen went blank. The program was "Mr. Fixit" and it was broadcast on both Teleprompter and Sterling cable televisions' Public Access Channel "C" last Sunday night, February 4, an evening which will certainly go down in the annals of television firsts. At 11 o'clock on that fateful night, video artist Anton Perich presented a series of his videotapes and for the ensuing hour they must have been really confused at the cable broadcast station, for Perich isn't making videotapes about what people think of the war ending or how senior citizens are being treated. His subject matter is right out of the backroom of Max's Kansas City, as is his cast—Donna Jordan, Pat Ast, Danny F., Susan Blond, Tinkerbelle, Hy Manhattan, and Pat Cleveland were among the stars.

Until Sunday it was possible for just about anyone who's into making alternative television via half-inch video equipment to take their productions to any of the cable television systems in New York and have them aired on specially set up Public Access channels. Then Perich's tapes were shown.

The first half of Perich's hour began with a fashion show modeled by Pat Cleveland and Donna Jordan. Then a young woman and a dog dancing together came on the screen. She was kissing and hugging the dog and the dog was warming up to the possibilities involved when the segment ended. Next poet Hy Manhattan read one of his poems while his muse, Rachel, slowly took her clothes off, feeling herself up, squeezing her breasts, and generally having a good time. Not exactly "All in the Family" but unquestionably a major tv breakthrough in the making. Deciding to get into the act, Hy started fondling Rachel's breasts. Then the tape was cut-off. Obviously someone at the cable station woke up. The picture and the sound stopped, replaced for about 10 minutes by the Public Access ID sign. When the programming resumed Hy and Rachel were nowhere in sight. Instead Donna Jordan and Pat Ast were playing in a beauty parlor. Donna lifted the sheet she had covering her body to expose her breasts, but before the cable people could do anything, the scene shifted to a very '30s looking woman dancing in a spotlight.

Then came the main attraction. "Mr. Fixit" is the story of a husband and wife (Danny F. and Susan Blond) who call in a tv repairman (Sami Melange) to fix two of the five tv sets they have littering their apartment since the wife is going to be on "Hollywood Squares" and doesn't want to miss it while hubby wants to watch the Super Bowl. In the course of his service call, the repairman is persuaded to take off his clothes so they can be washed, is sprayed with deodorant, and admits to having hemorrhoids. The vaselined light bulb is announced as a "cure" for hemorrhoids, and the repairman is just lying down on his stomach and spreading his legs when the program shut down again. Another five minute wait and then the tape was resumed to show a final few minutes, with no nudity, of "Mr. Fixit."

Next came Perich's "coming attractions" for his videotape to be broadcast next week. A program called "The Price of the Party" starring Taylor Mead and Candy Darling. Candy was wearing see-through and looking very silicone while Taylor, his pants down around his ankles and holding his private parts, was his usual marvelous self, singing and leering at the camera. It looked like a show not to be missed.

The cable announcer's voice came back on. "We'll be presenting another videotape by Anton Perich next week at this time," he said in a rather bemused fashion, then there was a pause and he added, "Maybe." Silence again, then he continued, "Certain segments of this tape were deleted on purpose. There was no time to edit it." Another pause. "What a way to end the night!" he added, "This is Teleprompter Cable TV wishing you a good night . . . and, ah, pleasant dreams."

Anton Perich's tapes were certainly a marvelous clash of medium and message. Is cable going to succumb to middle-class values for middle-class viewers or is Public Access television going to be just that—if you have something to say, no matter how bizarre, you can say it. Perich has raised the question and if this tv event is pursued to its logical conclusion we have all the makings of a landmark case which would make "Deep Throat" look small time. The answer may come on Sunday night at 11 when "The Price of the Party" is scheduled for broadcast. In the great tradition of television, to find out what happens, we'll have to tune in next week.

—Richard Robinson

A Hint of Scandal Focuses Attention on Cable TV

By TOM BUCKLEY

Late one recent Sunday evening, Andrew Heiskell, the chairman of Time Inc., idly turned the dial to Channel C, one of the two public-access channels of Sterling Manhattan Cable Television.

What he saw on the screen, according to an associate, caused Mr. Heiskell a certain amount of astonishment, particularly since Time owns 51 per cent of Sterling's stock.

A group of young men and women, some wearing the clothing of the opposite sex, whom a viewer might have presumed to be drug-crazed or demented, were putting on a skit in which they exposed themselves, shamelessly groped at one another and turned the air blue with their language.

Losses in Millions

While Mr. Heiskell's memorandum was filtering down through the corporate strata at Time, word was getting around town of the Tabasco that was being sprinkled on the bland television menu by a hitherto obscure avant-garde film-maker called Anton Perich.

"I saw a naked woman on television last night, honest," an East Side bartender was overheard telling his disbelieving customers a day or two later.

As is so often the case, it was the hint of scandal that focused a certain amount of attention on cable television and in particular on its public-access channels, which had been presenting, virtually unnoticed, neighborhood talk-fests, story hours, university workshop performances and the like since July, 1971.

"Who knows, we might get a few more subscribers out of it," Richard Galkin, the Sterling president said jocularly the other day. "We could use them."

Sterling, which has 57,000 residential and 700 business subscribers, holds the cable-television franchise for Manhattan south of 86th Street on the East Side and south of 79th Street on the West Side. Teleprompter, with 52,000 all told, serves the rest of the borough.

Mr. Galkin, the fifth man to head Sterling in its brief existence, said that it had had total operating losses of $13-million and an annual deficit that was increasing year by year, not to mention a $20-million investment in facilities.

The financial picture at Teleprompter is considerably brighter, according to Joseph Groth, the president of the local subsidiary, and it expects to report a small profit this year for the first time.

The Obscenity Issue

Speaking of the controversial Perich videotape, Mr. Galkin emphasized that Sterling was trying to follow the vague and perhaps contradictory regulations for public-access channels established by the Federal Communications Commission, the new State Cable Television Commission and the city's Bureau of Franchises.

All of these agencies have made it clear that the cable companies are not to regard themselves as censors, and are only forbidden to carry lottery information, libelous material, advertising or obscene and indecent matter on public-access.

The crux of the problem, as Mr. Galkin sees it, is the always troublesome question of what constitutes obscenity, and whether the standards for cable television, which enters the home and is easily accessible to children, should be more stringent than for other media.

"By the test of what is permitted in books and films," he said, "neither the language nor the actions that were shown struck us as obscene, although they might be in questionable taste."

What Law Says

For this reason, he went on, Sterling had scheduled Mr. Perich's first and subsequent presentations at 11 P.M. on Sundays, during its last hour of daily operations. Also since the first Perich program, the company has screened questionable public-access material in advance. Previously, it had only required producers to sign a statement assuming legal responsibility for their stock.

The state law, which was enacted last year and will be administered by a five-member State Commission on Cable Television, only implicitly covers obscenity, saying that public-access channels must be "free from any control by the company . . . except as is required to protect the company from liability under applicable law."

The city franchise language is virtually identical. Morris Tarshis, the city's Director of Franchises, said that as far as he was concerned the F.C.C. had preempted the city's regulatory role as to program content.

Teleprompter, which can interconnect with Sterling, showed an edited version of Mr. Perich's first offering after looking at it. "To me it wasn't art," said Robert Bleyer, who made the decision. "I found very few redeeming features in it."

"Is It Art?"

For a time, Teleprompter rejected all of Mr. Perich's productions, apparently on principle, but has now allowed him to return to the tube when it deems the material is not objectionable.

Neither cable firm can be said to be Pecksniffian in its standards. Nudity, in what is taken to be an artistic context, is permitted, as are four-letter words, both in Mr. Perich's productions and others.

Mr. Perich, a native of Yugoslavia who spent several years in Rome and Paris before arriving here a couple of years ago, said he found the controversy amusing.

"Teleprompter asks me, 'Is it art?' " he recalled the other day in the vast loft on Wooster Street where he makes his videotapes. "I say, 'No, it is satire, scandal.' I don't like my characters very much. It is to say something about New York, a criticism that people would do such things."

Mr. Perich uses a single hand-held camera and grainy half-inch videotape in making his productions. His performers include several persons identified with Andy Warhol's "Factory," including Taylor Mead and the transvestite who calls himself Candy Darling.

Typical Fare

A recent one-hour program was fairly typical. It included a skit in which Mr. Mead played the sexually ambiguous husband of a voluptuous Italian film star—a point of departure provided by Mr. Perich—a droning rock song with the endlessly repeated refrain, "I'm stuck on you/ Like Elmer's Glue," performed by a transvestite who wore a military cap with a swastika emblem, and a graceful topless dance by a slender young woman.

"I must say those programs sort of grow on you," said Mr. Galkin. "At first I thought they were complete nonsense, but now I'm not so sure."

Sterling's residential subscribers, who pay $5 of $6 a month for the service—bars and other businesses pay more — get better reception than is generally available among the tall buildings of Manhattan, and, as a bonus, not only Mr. Perich's productions but also the home games of the Knicks and Rangers. These are also available on Teleprompter at the same rate.

On an average day, the demand for public-access time amounts to about six hours on one channel, Mr. Galkin said, although both are available around the clock.

The F. C. C. also requires the cable companies to carry the signals of all U. H. F. (ultra-high frequency) stations within a 35-mile radius of the city.

The municipal channel, 21, is carried as Channel 3; Channel 25, an educational channel, is carried as Channel 6; Channels 47 and 41, both Spanish-language stations, are carried as Channels 8 and 12, respectively, and Channel 10 is used for the cable company's own presentations, mainly films.

Among the lettered channels, A and B are reserved for future municipal use, C and D for public access, E and F, for the company's use; Channel I carries U. H. F. station WLIW-TV, Channel 21, from Garden City, L. I. The other lettered channels on the converter, which run through N, are not presently in use.

The Landlords' Cut

Aside from the Riverdale section of the Bronx, where a struggling cable system has only 1,100 subscribers, the only borough with cable television is Manhattan.

The new state law not only guarantees access to all buildings for cable television, in the same way as telephone installations—some building owners have refused to permit cabling or have demanded 10 per cent or more of receipts—but also sets an unspecified but "reasonable" payment to landlords.

Sterling is also planning to seek, in the next few months, the easing of its franchise agreement with the city, which receives 5 per cent of gross receipts as a franchise fee, and it is likely that it will be joined by Teleprompter, at least in some details.

For one thing, Sterling will probably ask for a rate increase, contending that its basic monthly rate has remained constant since it began operations while costs have sharply increased.

Expansion Halted

Then, too, Sterling will seek an extension of the July, 1974, deadline for cabling its franchise area. The installation of new feeder and trunk lines has been halted by the company, which can presently provide service for only about half the 375,000 dwelling units in its area.

In an attempt to reduce unauthorized use of its circuits, which Mr. Galkin thinks may total 20,000 sets or more, Sterling has moved the hockey and basketball games from Channel 10 to Channel C, which cannot be received without the special converter provided by the company. Teleprompter has done the same thing, although Mr. Groth says he believes that, for technical reasons, the number of viewers able to pirate his company's service is far smaller.

In contrast to the public response to Mr. Perich's productions, both cable companies received many complaints when the sports broadcasts were shifted.

"The funny thing," said Mr. Groth with a laugh, "is that when we ask them for their names and addresses, they always hang up."

APPENDIX V

Penetration Statistics for Manhattan

Teleprompter zone[1]	(1) tot. occ. dwellings in zone[2]	(2) dwellings passed by cable[3]	(3) subscribers in zone[1]	(4) penetration as per cent of dwellings passed by cable[1]	(5) penetration as per cent of total dwellings[4]
W79-W110, Central Park to Hudson River	68,536	54,000	14,000	26%	20%
E86-E110, Central Park to East River	44,381	24,100	7,000	29%	16%
110-155 streets, River to River	130,976	55,000	11,000	20%	8.4%
North of 155th St.	72,726	65,000	22,000	34%	30%
TOTAL	316,619	198,100	54,000	27%	17%
Sterling Manhattan					
E58-E86, Central Park to East River	79,737	67,300	23,400	35%	29%
E18-E58, 5th Ave. to East River	73,443	66,667	20,000	30%	27%
W58-W79, Central Park to Hudson River	36,499	28,400	7,100	25%	20%
Battery to E18 and W of 5th Avenue to 58	180,594	47,500	9,500	20%	5.3%
TOTAL	370,273	209,867	60,000	29%	16%
All cable in N.Y.	686,892	407,967	114,000	28%	16.6%

[1]data supplied by cable operators; [2]data compiled from 1970 census; [3]determined from columns (3) and (4); [4]determined from columns (1) and (3).

APPENDIX VI

Complaints received by the Office of Telecommunications through April 30, 1973

Category	Sterling Manhattan	Teleprompter
01 converter	1	1
02 ghosting	1	-
03 no signal/noise	17	7
04 defective TV	4	-
05 billing	12	12
06 access problems	33	1
07 improper cable installation	9	5
08 refusal of service	48	11
09 miscellaneous	20	4
TOTAL	145	41

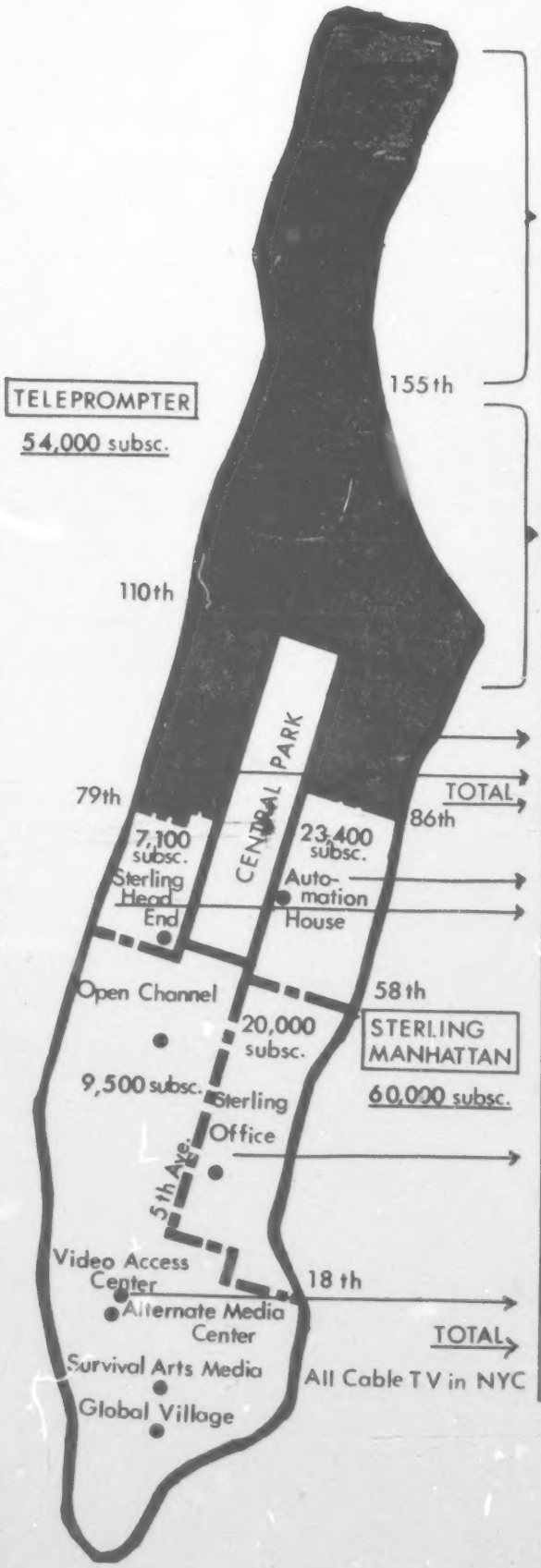
Breakdown by year

	SM	TPT
1971	10	6
1972	91	26
1973 (April)	44	9
TOTAL	145	41

GLOSSARY

AH	Automation House
AMC	Alternate Media Center
CAPI	Center For Analysis of Public Issues
EAT	Experiments in Art and Technology
FCC	Federal Communications Commission
GV	Global Village
N/P	Neighborhood Action Program
OC	Open Channel
OT	New York City Office of Telecommunications
PA	Public Access
PAC	Public Access Celebration
R	Raindance
SAM	Survival Arts Media
SM	Sterling Manhattan Cable
TPT	Teleprompter Cable
VAC	Video Access Center

PENETRATION STATISTICS for MANHATTAN



Total Occupied Dwellings	Dwellings Passed by Cable	Penetration as % of Dwellings Passed by Cable	Penetration as % of Total Dwellings
72,726	65,000	34%	30 %
130,976	55,000	20%	8.4 %
44,381	24,100	29%	16%
68,536	54,000	26%	20%
TOTAL 316,619	198,100	27%	17%
79,737	67,300	35%	29%
36,499	28,400	25%	20%
73,443	66,667	30%	27%
180,594	47,500	20%	5.3%
TOTAL 370,273	209,867	29%	16%
All Cable TV in NYC 686,892	407,967	28%	16.6%